A-Z

DEALER LICENSING GUIDE

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<u>AAMVA</u>: American Association of Motor Vehicle Administrators (<u>AAMVA</u>) is a nonprofit organization committed to enhancing safety and security through motor vehicle administration and law enforcement. Founded in 1933, AAMVA represents the state and provincial officials in the United States and Canada who administer and enforce motor vehicle laws. AAMVA's programs encourage uniformity and reciprocity among the states and provinces. The association also serves as a liaison with other levels of government and the private sector. Its development and research activities provide guidelines for more effective public service. AAMVA's membership includes associations, organizations and businesses that share an interest in the association's goals. The Department is an AAMVA member. You can visit AAMVA's website at http://www.aamva.org.

<u>ADMINISTRATIVE STOP:</u> Is a computer entry to a **specific title** record, which prevents further title action from being processed until the stop is removed. Please refer to TL 24 T http://www3.flhsmv.gov/dmv/Proc/TL/TL-24.PDF for additional information.

<u>ADVERTISEMENT:</u> is defined as, "the act of advertising something; a public announcement in a newspaper or on the radio, television, or internet advertising something such as a product for sale or an event." In the Dealer License Section we are required by section <u>320.642</u>, F.S. to publish in Florida Administrative Weekly publication notices received from licensed manufacturers, importers and distributors of their intent to establish or relocate franchise dealers.

<u>AFFIDAVIT</u>: is defined as "a written version of sworn statement". When accepting affidavits, please make sure they are signed and on official letterhead of company submitting the affidavit.

Please refer to TL 01 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-01.PDF for additional information.

<u>AGREEMENT:</u> is defined as, "a contract or arrangement, either written or verbal and sometimes enforceable by law. As part of the licensing requirements, the department requires all franchise dealers to have an agreement with a licensed manufacturer, importer, or distributor for any line-make they want to sell in Florida and notify the department in writing of their intent to allow the dealer to sale their line-make(s). The department also requires all licensed importers and distributors to have an agreement with the manufacturer of the line-make they want to import or distribute.

Pursuant to section <u>320.60(1)</u>, Florida Statutes "Agreement" or "franchise agreement" means a contract, franchise, new motor vehicle franchise, sales and service agreement, or dealer agreement or any other terminology used to describe the contractual relationship between a manufacturer, factory branch, distributor, or importer, and a motor vehicle dealer, pursuant to which the motor vehicle dealer is authorized to transact business pertaining to motor vehicles of a particular line-make.

Pursuant to section <u>320.3202(8)</u>, Florida Statutes, "Manufacturer/dealer agreement" means a written agreement or contract entered into between a manufacturer and a dealer that fixes the rights and responsibilities of the parties and pursuant to which the dealer sells new recreational vehicles.

AGREEMENT ADDENDUMS: Not later than 60 days before the date a revision or modification to a franchise agreement is offered uniformly to a licensee's motor vehicle dealers in this state, the licensee shall notify the department of such revision, modification, or addition to the franchise agreement on file with the department. In no event may a franchise agreement, or any addendum or supplement thereto, be offered to a motor vehicle dealer in this state <u>until</u> the applicant or licensee files an affidavit with the department acknowledging that the terms or provisions of the agreement, or any related document, are not inconsistent with, prohibited by, or contrary to the provisions contained in ss. <u>320.60-320.70</u>. Any franchise agreement offered to a motor vehicle dealer in this state shall provide that all terms and conditions in such agreement inconsistent with the law and rules of this state are of no force and effect.

<u>AMBULANCES:</u> Ambulances, fire trucks, and school buses do not fall under the definition of motor vehicle as per section <u>320.60</u>, <u>F.S.</u> Manufacturers of ambulances do not need a manufacturer's license in Florida. Section <u>320.27</u>, <u>F.S.</u>, allows manufacturers of ambulances, fire trucks, and school buses to sell such vehicles directly to governmental agencies or to persons who contract to perform or provide firefighting, ambulance, or school transportation services exclusively to governmental agencies without processing such sales through dealers if such vehicles are not presently available through motor vehicle dealers licensed by the department.

ANSI: American National Standards Institute (ANSI) http://www.ansi.org is an organization which develops national safety standards for various products. In Florida a park trailer must meet either the ANSI standards or the United States Department of Housing and Urban Development standards depending on the length of the trailer. Section 320.01(1)7, F.S., defines a "park trailer" as, the "park trailer," which is a transportable unit which has a body width not exceeding 14 feet and which is built on a single chassis and is designed to provide seasonal or temporary living quarters when connected to utilities necessary for operation of installed fixtures and appliances. The total area of the unit in a setup mode, when measured from the exterior surface of the exterior stud walls at the level of maximum dimensions, not including any bay window, does not exceed 400 square feet when constructed to ANSI A-119.5

standards, and 500 square feet when constructed to United States Department of Housing and Urban Development Standards. The length of a park trailer means the distance from the exterior of the front of the body (nearest to the drawbar and coupling mechanism) to the exterior of the rear of the body (at the opposite end of the body), including any protrusions. (Add information on RV – ANSI)

<u>APPLICATION</u>: The Dealer License Section has two application forms for original licenses. The form <u>HSMV 84256</u> is the Application for a License as a Motor Vehicle, Mobile Home, or Recreational Vehicle Dealer. This form can be downloaded at the Department's website at http://www.flhsmv.gov/dmv/forms/BFO/86056.pdf. Form <u>HSMV 84256</u> is the application form for Manufacturers, Importers, and Distributors. This application form can be accessed on the Department's website at the following link at http://flhsmv.gov/dmv/forms/BFO/84256.pdf.

Renewal Form HSMV <u>86720</u> for all categories of dealers can be accessed at http://flhsmv.gov/dmv/forms/BFO/86720.pdf.

Renewal Form HSMV <u>86218</u> for recreational vehicle manufacturers, importers and distributors and mobile home manufacturers can be accessed a http://flhsmv.gov/dmv/forms/BFO/86218.pdf.

Renewal Form HSMV <u>86219</u> for motor vehicle manufacturers, importers and distributors can be accessed at http://flhsmv.gov/dmv/forms/BFO/86219.pdf.

Modification to a dealer's license Form HSMV <u>86072</u> can be accessed at <u>http://flhsmv.gov/dmv/forms/BFO/86072.pdf</u>.

All Departmental forms can be accessed at http://flhsmv.gov/html/forms.html.

Section 320.27(3), F.S., defines application and fee requirements for motor vehicle dealers; section 320.77(3), F.S., defines application and fee requirements for mobile home dealers; and section 320.771(3), F.S., defines application and fee requirements for recreational vehicle dealers.

AREA OF SALES RESPONSIBILITY: The area of sales responsibility is the geographical area agreed by the manufacturer and the dealer within which the dealer has the right to display and sell a particular line-make.

Pursuant to section <u>320.3202</u>, Florida Statutes "Area of sales responsibility" means the geographical area agreed to by the recreational vehicle dealer and the manufacturer in the manufacturer/dealer agreement within which the dealer has the exclusive right to display or sell the manufacturer's new recreational vehicles of a particular line-make.

<u>ASSEMBLED FROM PARTS (ASPT):</u> "Assembled from parts" means a motor vehicle or mobile home that has been assembled from parts or combined from parts of motor vehicles or mobile homes, new or used. "Assembled from parts" does not mean a motor vehicle defined as a "rebuilt vehicle" in subparagraph 3., which has been declared a total loss pursuant to s. <u>319.30</u>, F.S. Please refer to Procedure TL-43 for additional information.

<u>ATV:</u> All Terrain Vehicles are off-road vehicles that cannot be driven on the roadways in the state of Florida. The Department does not license dealers who sell ATVs. "ATV" means any motorized off-highway or all-terrain vehicle 50 inches or less in width, having a dry weight of 1,200 pounds or less, designed to travel on three or more non-highway tires, having a seat designed to be straddled by the operator and handlebars for steering control, and intended for use by a single operator and with no passenger.

Section <u>316.2074</u>, F.S., states, "the term "all-terrain vehicle" means any motorized off-highway vehicle 50 inches or less in width, having a dry weight of 1,200 pounds or less, designed to travel on three or more non-highway tires, having a seat designed to be straddled by the operator and handlebars for steering control, and intended for use by a single operator with no passenger. For the purposes of this section, "all-terrain vehicle" also includes any "two-rider ATV" as defined in s. <u>317.0003</u>."

Section <u>317.003</u>, <u>F.S.</u>, defines "ATV means any motorized off-highway or all-terrain vehicle 50 inches or less in width, having a dry weight of 1,200 pounds or less, designed to travel on three or more non-highway tires, having a seat designed to be straddled by the operator and handlebars for steering control, and intended for use by a single operator and with no passenger."

Section <u>317.003(9)</u>, F. S., defines "Two-rider ATV means any ATV that is specifically designed by the manufacturer for a single operator and one passenger."

Please refer to Procedure TL 44 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-44.PDF for additional information.

<u>ARTICLES OF INCORPORATION:</u> Part of the licensing requirements for dealerships that are incorporated is the Articles of Incorporation. This document must be submitted with the original application.

<u>ARTICLES OF ORGANIZATION:</u> Part of the licensing requirements for companies that are limited liability companies is the Articles of Organization and Operating Agreement. This document must be submitted with the original application.

<u>AUCTIONS:</u> "Section <u>320.27</u>, <u>F.S.</u>, defines "Motor vehicle auction" to mean "any person offering motor vehicles or recreational vehicles for sale to the highest bidder where buyers are licensed

motor vehicle dealers. Such person shall not sell a vehicle to anyone other than a licensed motor vehicle dealer."

<u>AUCTION DEALERS</u>: The auction dealer license (license prefix "VA") is applied for using the Application form <u>HSMV 86056</u> which can be accessed on the department's website at http://www.flhsmv.gov/dmv/forms/BFO/86056.pdf.

Auctions that sell motor vehicles and recreational vehicles, by the bid process, where buyers are licensed motor vehicle dealers, must obtain a VA license. Auctions that plan to sell motor vehicles retail are required to be licensed as an independent dealer with a VI prefix license.

<u>Please Note:</u> Licensed auction dealers shall not sell a vehicle to anyone other than a licensed motor vehicle dealer.

AUCTION PROVISIONS: Dealers who are licensed as motor vehicle auctions, holding a license prefixed with the letters VA are given special consideration by the legislature recognizing that auctions generally provide a forum for sellers to dispose of vehicles through the bid process. Since auctions are not considered buyers or transferees or sellers or transferors in this auction process, Florida law exempts auctions from the need to complete reassignments unless an auction owns the vehicle. In lieu of completing the reassignment, the auction simply includes the auction name, address, and dealer license number in the appropriate spaces provided on the title certificates and reassignments. This information indicates that the vehicle has gone through the auction and that the auction is in the sequence between the seller and the next buyer. Any independent motor vehicle dealer (VI) wishing to use the bid process as a forum to sell by acting as an auction, without the benefit of an auction license (VA), must complete dealer reassignment forms on all transactions. Auctions (VA) may sell recreational vehicles taken in as a trade-in by a motor vehicle dealer only to a licensed recreational vehicle dealer.

AUTOMOBILES: An automobile is defined by Wikipedia as an "automobile, motor car, or car is a wheeled motor vehicle used for transporting passengers, which also carries its own engine or motor. Most definitions of the term specify that automobiles are designed to run primarily on roads, to have seating for one to eight people, to typically have four wheels, and to be constructed principally for the transport of people rather than goods." Section 320.01, F.S., defines a "Motor Vehicle" to mean: "Any automobile, motorcycle, truck, trailer, semitrailer, truck tractor and semitrailer combination, or any other vehicle operated on the roads of this state, used to transport persons or property, and propelled by power other than muscular power, but the term does not include traction engines, road rollers, such vehicles as run only upon a track, bicycles, or mopeds.

<u>B</u>

BANKS AND CREDIT UNIONS: Dealers are required to submit with their original application a surety bond or irrevocable letter of credit. These must be issued by a bank or credit union

authorized to do business in Florida. The following website indicates which banks are authorized in Florida: http://www.ncsl.org/default.aspx?tabid=16529 and the following website indicate which credit unions are authorized in Florida: http://www.ncua.gov/DataServices/FindCU.aspx.

<u>BICYCLE:</u> Section <u>316.003(2)</u>, Florida Statutes defines bicycles, "BICYCLE.—Every vehicle propelled solely by human power, and every motorized bicycle propelled by a combination of human power and an electric helper motor capable of propelling the vehicle at a speed of not more than 20 miles per hour on level ground upon which any person may ride, having two tandem wheels, and including any device generally recognized as a bicycle though equipped with two front or two rear wheels. The term does not include such a vehicle with a seat height of no more than 25 inches from the ground when the seat is adjusted to its highest position or a scooter or similar device. No person under the age of 16 may operate or ride upon a motorized bicycle."

BOAT: A boat is defined as a small vessel or craft used for travel on water which can be propelled by oars, paddle, sails, or motor. Boats can be used for travelling, transporting goods, fishing, racing, recreational cruising, or military use.

The Department of Highway Safety and Motor Vehicles does not license manufacturers, distributors and importers of boats.

<u>BOAT TRAILERS:</u> The Department of Highway Safety and Motor Vehicles does not license manufacturers, distributors and importers of boat trailers, unless it is a trailer with living quarters which would be classified as a recreational vehicle. In addition, an independent motor vehicle dealer's license is required if a person sells over 25 trailers in a year, each trailer weighing over 2000 pounds. For additional information on boat trailers, please see s. 320.13(1.)(b)1. and 2. Florida Statutes.

BONDS OR SURETY BONDS: A surety bond is an agreement subject to the bond form. A bond is required for monetary compensation for failure to perform specified acts referenced in the bond form. A bond is issued by an entity on behalf of a second party, guaranteeing that the second party will fulfill an obligation or a series of obligations to a third party.

- **SURETY BOND FOR MOTOR VEHICLE DEALERS:** Pursuant to Section 320.27(10)a, Florida Statutes, "Annually, before any license shall be issued to a motor vehicle dealer, the applicant-dealer of new or used motor vehicles shall deliver to the department a good and sufficient surety bond or irrevocable letter of credit, executed by the applicant-dealer as principal, in the sum of \$25,000."
- **SURETY BOND FOR MOBILE HOME DEALERS AND BROKERS:** Pursuant to section 320.77(16)a, Florida Statutes, "Before any license shall be issued or renewed, the applicant or licensee shall deliver to the department a good and sufficient surety bond,

cash bond, or irrevocable letter of credit, executed by the applicant or licensee as principal..."

- 1. A single dealer who buys, sells, or deals in mobile homes and who has four or fewer supplemental licenses shall provide a surety bond, cash bond, or irrevocable letter of credit executed by the dealer applicant or licensee in the amount of \$25,000.
- 2 A single dealer who buys, sells, or deals in mobile homes and who has more than four supplemental licenses shall provide a surety bond, cash bond, or irrevocable letter of credit executed by the dealer applicant or licensee in the amount of \$50,000.
- SURETY BOND FOR RECREATIONAL VEHICLE DEALERS: Pursuant to section 320.771(16)a, Florida Statutes, "Before any license shall be issued or renewed, the applicant shall deliver to the department a good and sufficient surety bond, executed by the applicant as principal and by a surety company qualified to do business in the state as surety..."
 - 1. A single dealer who buys, sells, or deals in recreational vehicles and has four or fewer supplemental licenses shall provide a surety bond in the amount of \$10,000.
 - 2. A single dealer who buys, sells, or deals in recreational vehicles and who has more than four supplemental licenses shall provide a surety bond in the amount of \$20,000.
- SURETY BOND FOR MOBILE HOME MANUFACTURERS: Pursuant to section 320.8225(5)a, Florida Statutes, "Annually, prior to the receipt of a license to manufacture mobile homes, the applicant or licensee shall submit a surety bond, cash bond, or letter of credit from a financial institution, or a proper continuation certificate, sufficient to assure satisfaction of claims against the licensee for failure to comply with appropriate code standards, failure to provide warranty service, or violation of any provisions of this section. The amount of the surety bond, cash bond, or letter of credit must be \$50,000. Only one surety bond, cash bond, or letter of credit shall be required for each manufacturer, regardless of the number of factory locations."
- SURETY BOND FOR RECREATIONAL VEHICLE MANUFACTURERS, IMPORTERS AND DISTRIBUTORS: Pursuant to section 320.8225(5)b, Florida Statutes, "Annually, prior to the receipt of a license to manufacture, distribute, or import recreational vehicles, the applicant or licensee shall submit a surety bond, or a proper continuation certificate, sufficient to assure satisfaction of claims against the licensee for failure to comply with

appropriate code standards, failure to provide warranty service, or violation of any provisions of this section. The amount of the surety bond must be \$10,000 per year."

As part of the licensing requirements, applicants are required to submit a surety bond or an irrevocable letter of credit to the Department. The link to surety bond forms are as follows: http://www.flhsmv.gov/html/forms-NUMBER_DMV.html. This link will guide you to the following surety bond forms:

86018: Surety Bond, Mobile Home Dealer*

86019: Surety Bond, Recreational Vehicle Dealer*

86020: Surety Bond, Motor Vehicle Dealer*

86050: Surety Bond, Mobile Home Manufacturer*

86051: Surety Bond, Recreational Vehicle Manufacturer or Van Converter*

BRAKE HORSE POWER: Brake horsepower means the actual unit of torque developed per unit of time at the output shaft of an engine, as measured by a dynamometer. 750 watts is 1 horsepower.

<u>BUSES/BUS MANUFACTURERS:</u> Section <u>316.003(</u>3), Florida Statutes defines bus as "Any motor vehicle designed for carrying more than 10 passengers and used for the transportation of persons and any motor vehicle, other than a taxicab, designed and used for the transportation of persons for compensation." Bus manufacturers are not required to be licensed by the Department. Dealers are required, at the very minimum to be licensed as Independent Motor Vehicle Dealers (VI license). If the line of business extends to recreational vehicles, coaches and vehicles other than buses, the licensing requirements as per section <u>320.8225</u>, Florida Statutes must be met.

BUYERS GUIDE: This guide provides information for car buyers. You may access the following links for useful on this subject:

http://www.flhsmv.gov/SafetyTips/Vehicles.htm

http://www.flhsmv.gov/SafetyTips/PDFs/BuyingVehicle.pdf

BUY/SELL: Buy-sell arrangements occur when a motor vehicle dealer wishes to sell their dealership to another dealership or person.

Buy/sell arrangements for franchise dealership occur when a motor vehicle dealer wishes to sell their dealership and/or franchise agreement to a new owner. In the case of a franchise buy-sell agreement, the buyer must have a letter from the manufacturer agreeing to the transfer of the franchise agreement from the selling dealer to the buying dealer or at least not have received a refusal from the manufacturer within sixty (60) days after notifying the manufacturer of the proposed transfer. If, in conjunction with the buy-sell the buyer also intends to relocate the

franchise, a letter from the manufacturer approving the relocation must be received by the Dealer License Section in Tallahassee. If the relocation is claiming exemption under section 320.642(5)(a), (1), (2), (3), or (4), Florida Statutes, such exemption must be clearly stated in the letter from the manufacturer.

If such exemption cannot be claimed pursuant to section <u>320.642(5)(a)</u>, (1), (2), (3), or (4), Florida Statutes, the requirements for the appointment of a new point as specified in section <u>320.642</u>, Florida Statutes must be met.

Pursuant to section <u>320.642</u>, Florida Statutes, the Department must receive a written notice from the manufacturer, importer or distributor stating their intent to approve a buy-sell and to establish a new dealership for the sale of their line-make. The letter must also give details of dealers in the same or adjacent county with a standing to protest who are selling the same line-make. The manufacturer, importer or distributor's letter of approval of the buy-sell for publication in the Florida Administrative Weekly must be accompanied with a check in the amount of \$77.50 payable to the Department of Highway Safety and Motor Vehicles. The Department will cause this notice to be published in the Florida Administrative Weekly and will advise the dealers with standing to protest, giving those dealers 30 days to protest. If a protest(s) is received within 30 days, the case will be forwarded to the Division of Administrative Hearings. If no protest is received, a Final Order is prepared after the 30-day-waiting period. A copy of the Final Order will be e-mailed to the manufacturer, dealer and the Regional Office. Thereafter, the dealer must submit an application at the Regional Office for a new franchise license or add a line-make, if the dealer is already a licensed franchise dealer.

Moreover, the Regional Office must receive an application from the buying dealer with accurate required documents, required fee, Voluntary Relinquishment of License (VRL) completed by the seller and the Buy-Sell affidavit completed by the buyer. If the seller has lost or misplaced his original license, the seller must submit an affidavit stating the same. The VRL, Buy-Sell affidavit and original license (or affidavit if the original license is lost) will be forwarded by the Regional Office to the Office of the General Counsel in Tallahassee. A Final Order will be issued by the Department. This Final order will approve the cancellation of the seller's license and issuance of the license for the new buyer. When the Dealer License Section receives copy of the Final Order, a staff member will generate an approval number which will be e-mailed to the Regional Office. Thereafter, the Regional Office will process the application for the buying dealer.

<u>Important:</u> A selling dealer who sells several line-makes and is only relinquishing a line-make (not all line-makes) is not required to complete the VRL form. The selling dealer must submit an application to the Regional Office to delete the line-make from his license. The buying dealer must submit an application to the Regional Office to either apply for a franchise license or add a line-make if they are already a licensed franchise dealer.

The VRL and Buy-Sell Affidavit forms are available at the Regional Office. The staff of the Regional Office can be contacted for assistance regarding licensing procedures.

<u>CAMPING TRAILERS:</u> The "camping trailer," which is a vehicular portable unit mounted on wheels and constructed with collapsible partial sidewalls which fold for towing by another vehicle and unfolds at the campsite to provide temporary living quarters for recreational, camping, or travel use. This is not regarded as a recreational vehicle.

CASUAL SALE: The sale of a motor vehicle or mobile home between individuals.

<u>CERTIFICATE OF TITLE:</u> means the record that is evidence of ownership of a vehicle, whether a paper certificate authorized by the department or a certificate consisting of information that is stored in an electronic form in the department's database.

When a certificate of title, including a foreign certificate, is branded to reflect a condition or prior use of the titled vehicle, the brand must be noted on the registration certificate of the vehicle and such brand shall be carried forward on all subsequent certificates of title and registration certificates issued for the life of the vehicle.

For additional information on certificates of title, please refer to Chapter 319.001, F.S.

CHANGE OF ENTITY: A change of entity of a dealership such as changing a sole ownership to a partnership, a partnership to a corporation, or any other similar change requires an initial application, satisfaction of all licensing requirements, and payment of applicable fees.

<u>CHANGE OF LICENSE TYPE:</u> A change of license type involves a change of the type of business operated by the dealership. For example, changing a franchise motor vehicle dealership (VF) to an independent dealership that only sells used vehicles (VI), or changing a motor vehicle auction (VA) to an independent dealership (VI), or any other similar change of license type, requires the applicant to complete a new application, including payment of an original application fee and must meet all of the licensing requirements of the new type of license.

<u>CIVIL RIGHTS RESTORATION:</u> Senate Bill 146 regarding the requirements of civil rights restoration for felony convictions was passed. Pursuant to the approval of the new legislative change, effective January 1, 2012, an application for a dealer's license cannot be denied based solely on the applicant's lack of civil rights. However, the Department will continue to request for the charging and disposition documents from an applicant if they have been arrested and/or convicted of felony. The Department does have the authority to deny an application if the crime is related to the motor vehicle business.

<u>COMMERCIAL MOTOR VEHICLE:</u> means any vehicle which is not owned or operated by a governmental entity, which uses special fuel or motor fuel on the public highways, and which has a gross vehicle weight of 26,001 pounds or more, or has three or more axles regardless of

weight, or is used in combination when the weight of such combination exceeds 26,001 pounds gross vehicle weight. A vehicle that occasionally transports personal property to and from a closed-course motorsport facility, as defined in s. 549.09(1)(a), is not a commercial motor vehicle if the use is not for profit and corporate sponsorship is not involved. As used in this subsection, the term "corporate sponsorship" means a payment, donation, gratuity, in-kind service, or other benefit provided to or derived by a person in relation to the underlying activity, other than the display of product or corporate names, logos, or other graphic information on the property being transported. (See s. 320.01(26), F.S.)

<u>CONDITIONAL SALE:</u> A new motor vehicle where the equitable or legal title to which has never been transferred by a manufacturer, distributor, importer, or dealer to an ultimate purchaser; however, when legal title is not transferred but possession of a motor vehicle is transferred pursuant to a conditional sales contract or lease and the conditions are not satisfied and the vehicle is returned to the motor vehicle dealer, the motor vehicle may be resold by the motor vehicle dealer as a new motor vehicle, provided the selling motor vehicle dealer gives the following written notice to the purchaser: "THIS VEHICLE WAS DELIVERED TO A PREVIOUS PURCHASER." The purchaser shall sign an acknowledgment, a copy of which is kept in the selling dealer's file.

<u>CONSIGNMENT SALE:</u> Florida law imposes a requirement on a dealer to have a duly assigned title in their possession from the time of acquiring a vehicle until the time of disposing such vehicle. The common consignment sale proactive of merely turning over possession of the vehicle while the consignor/seller holds title is unlawful in this state. Thus, in order for a dealer to stay out of a potentially dangerous situation whereby the dealer sells a vehicle that has been consigned, later to discover that the seller refuses to transfer title, the Department permits consignment sales only if the dealer has a non-secure power of attorney assigned to a disinterested third party, signed by the seller, which would enable the dealer to process the title after the sale, accompanied by a written consignment agreement that spells out the conditions and obligations of each of the parties.

CONSUMER COMPLAINTS: Any allegation, regardless of its source, that a dealer or manufacturer has created dissatisfaction, violated the law, or otherwise acted unfairly with regard to the manner in which the dealer/manufacturer transacts business or provides service. Please refer to section <u>320.865</u>, F.S. for additional information on consumer complaints.

<u>CONVERSION KITS:</u> is a kit that coverts one type of vehicle into a different type of vehicle. If a person sells kits but does not do the conversion, that person is not required by the Department to be licensed as a manufacturer. For example, a person who sells new golf carts to customers and also sells the kits to convert them into low-speed vehicles but does not do the conversion will not need a manufacturer's license.

<u>CONVERSION TABLE:</u> The engine displacement on motorcycles for watts must be converted to BHP for entry into FRVIS (BHP cannot be converted to CCs). The following is the conversion for watts to BHP:

Conversion of watts to BHP is: Watts X 0.00134 = BHP

Example: 1500 watts multiplied by 0.00134 = 2.01 BHP.

A MCO with an engine output greater than 1492 Watts or greater than 2.0 bhp will be considered a motorcycle with an engine displacement greater than 50 ccs. Therefore, the franchise dealer must be licensed.

A MCO with an engine output of 1492 Watts or less or 2.0 bhp or less will be considered a motorcycle with an engine displacement of 50 ccs or less. Therefore, the franchise dealer does not have to be licensed.

Engine Output in Watts	Engine Output in bhp	Engine Displacement in cc	Type of Vehicle	Manufacturers, Importers and Distributors must be licensed by the Department	Dealer or person must be licensed by the Department as a franchise dealer
1492 Watts or less	2.0 bhp	50 cc's or less	Motorcycle	YES	NO
Greater than 1492 Watts	Greater than 2.0 bhp	Greater than 50 cc's	Motorcycle	YES	YES

CONTIGUOUS LOCATION: FAC 15C-7.004, "A supplemental license shall not be required of a dealer who desires to add to or expand its dealership to a contiguous piece of real estate. For the purpose of determining whether a piece of real estate is "contiguous" with any other piece of real estate, as the term "contiguous" is used in Section 320.27(5), Florida Statutes, intervening streets, highways, utility easements, drainage and storm water canals, retaining ponds, and other similar public ways, shall not be considered, provided the parcel of real estate on which the added or expanded place of business is to be located is not more than 200 feet from the existing and licensed place of business. Parcels of real estate separated by limited access highways, navigable waterways or privately owned real estate shall not be considered "contiguous" for purposes of this rule. A dealer who adds to or expands a business under these circumstances shall notify the dealer license section of the department, in writing, of such

<u>CONTINUING EDUCATION:</u> Pursuant to section <u>320.27(4)(a)</u>, Florida Statutes, <u>all licensed independent dealers</u> must complete a continuing education course and submit the a copy of the certificate of completion from a Department approved Dealer Training School with their renewal application, if their last dealer training is over 2 year old.

COURTESY DELIVERY: Pursuant to TL10, a courtesy delivery is defined as a retail purchase of a motor vehicle in another state, but physical delivery of the vehicle is made to the customer in Florida by a Florida dealer. When a Florida dealer is submitting paper work for an out of state dealer involving a "courtesy delivery", the Florida dealership's information must be shown on the form HSMV 82040 along with the wording "courtesy delivery". The Florida dealer's license number should also be entered into FRVIS (even though it is a courtesy delivery). This information may assist the DMS Regional offices and the Department of Revenue when auditing Florida dealerships. The Florida dealer should be collecting sales tax for the sale or submitting proof that the tax was paid to the out-of-state dealer. The Florida dealer should not enter their "Florida sales tax registration number" on the form HSMV 82040, as it makes them involved in the sale. Instead, they should submit any sales tax collected for the sale to the tax collector's office or license plate agency along with the customer's paperwork. However, if the dealership is an electronic filing system (EFS) agency, it may process it through the EFS. The lemon law fee would not be applicable.

NOTE: If the out-of-state dealer reassigns to the Florida dealer on the reverse side of an MCO, it is NOT considered a "courtesy delivery." Therefore, the Florida dealer should not show "courtesy delivery" on the form <u>HSMV 82040</u> and should process as a regular dealer transaction within the required 30 days.

<u>CURBSTONING:</u> Section <u>316.1951(1)</u>, Florida Statutes, provides that it is unlawful for any person to park a motor vehicle, as defined in section <u>320.01</u>, Florida Statutes, upon a public street or highway, upon a public parking lot, or other public property, or upon private property where the public has the right to travel by motor vehicle, for the principal purpose and intent of displaying the motor vehicle thereon for sale, hire, or rental unless the sale, hire, or rental of the motor vehicle is specifically authorized on such property by municipal or county regulation, and the person is in compliance with all the municipal and county licensing regulations. Section <u>316.1951(1)</u>, Florida Statutes, provides detailed information on curbstoning. Also refer to Department Procedure <u>EP-03</u> at: http://www3.flhsmv.gov/dmv/Proc/BFO/EP-03.PDF.

Customer Service Telephone Number for DHSMV: 850-617-2000

<u>D</u>

<u>DEALER ADVISORIES:</u> All Dealer Advisories are posted at the Department's website at http://flhsmv.gov/dmv/DlrAdv/DAindex.html

<u>DEALER:</u> Dealer" means any person, firm, corporation, or business entity licensed or required to be licensed under sections, <u>320.27</u>, <u>320.77</u> and <u>320.771</u>, Florida Statutes.

DEALER LICENSE TYPES/LICENSING PERIODS:

All dealer licenses are issued for a maximum period of one year. The effective and expiration dates for the various categories of licenses are staggered. The licensing periods are as follows:

Franchised motor vehicle dealer (VF)	January 1 - December 31
Franchised motor vehicle service facility (SF)	January 1 - December 31
Independent motor vehicle dealer (VI)	May 1 - April 30
Wholesale motor vehicle dealer (VW)	May 1 - April 30
Motor vehicle auction (VA)	May 1 - April 30
Salvage motor vehicle dealer (SD)	May 1 - April 30
Mobile home dealer (DH)	October 1-September 30
Mobile home broker (BH)	October 1-September 30
Recreational vehicle dealer (RV)	October 1-September 30
Used Recreational vehicle dealer (RU)	October 1-September 30
Non-resident dealer (NI, NH, NR)	January 1 – December 31

Information on Dealer Licensing Requirements can be accessed on-line at the following link: http://www.flhsmv.gov/dmv/LearnMoreAboutDealerLicense.pdf.

<u>DEALER LICENSE RENEWAL SCHEDULE:</u> This can be accessed at the Department's website at http://flhsmv.gov/dmv/DealerLicenseRenewalSchedule.pdf.

DEALER LICENSE SECTION ADDRESS:

2900 Apalachee Parkway, Neil Kirkman Building, A 312 MS 65 Tallahassee Florida, 32399 Telephone #850-617-3003 (Prompt 1) Fax #850 617-5217 **DEALER TRAINING SCHOOLS:** All dealer training schools must be approved and licensed by the Department. A list of the approved dealer training schools can be accessed at the Department's website at http://flhsmv.gov/dmv/L Dealer Trng Sch.pdf. Each initial motor vehicle dealer license application received by the department must be accompanied by verification that, within the preceding 6 months, the applicant (owner, partner, officer, or director of the applicant or a full-time employee of the applicant that holds a responsible management-level position) has successfully completed training conducted by a licensed motor vehicle dealer training school.

Pursuant to section 320.27(4)(a), Florida Statutes, all licensed independent dealers must complete a continuing education course and submit the a copy of the certificate of completion from a Department approved Dealer Training School with their renewal application, if their last dealer training is over 2 year old.

<u>DEALER PLATES:</u> Any licensed motor vehicle dealer and any licensed mobile home dealer may, upon payment of the license tax imposed by s. <u>320.08(12)</u>, secure one or more dealer license plates, which are valid for use on motor vehicles or mobile homes owned by the dealer to whom such plates are issued while the motor vehicles are in inventory and for sale, or while being operated in connection with such dealer's business, but are not valid for use for hire. Dealer license plates may not be used on any tow truck or wrecker unless the tow truck or wrecker is being demonstrated for sale, and the dealer license plates may not be used on a vehicle used to transport another motor vehicle for the motor vehicle dealer.

http://www.flsenate.gov/Statutes/index.cfm?App mode=Display Statute&Search String=&UR L=0300-0399/0320/Sections/0320.13.html

<u>DEALERS WITH STANDING TO PROTEST</u>: Pursuant to section <u>320.642</u>, Florida Statutes dealers selling the same line-makes can file a protest with the Department against the establishment or relocation of dealers in the same county or contiguous county. The notice from the manufacturer, importer or distributor must include not only the franchised dealers established by the manufacturer, distributor or importer for the line-make but also other franchised dealers of the same line-make established by other manufacturers, distributors or importers in the same county or any contiguous county. All licensed dealers of the same line-make in the same county or adjacent or contiguous county have a right to file a protest with the Department regardless of who their franchiser is.

<u>**DEFINITIONS:**</u> <u>http://www.flsenate.gov</u> motor vehicles/motor vehicle licenses general definitions under sections <u>319.01</u>, <u>320.01</u> and <u>320.60</u>, Florida Statutes.

<u>**DEMONSTRATOR:**</u> Section <u>320.60(</u>3), Florida Statutes states, "Demonstrator" means any new motor vehicle that which is carried on the records of the dealer as a demonstrator and is used by, being inspected or driven by the dealer or his or her employees, or driven by prospective customers for the purpose of demonstrating vehicle characteristics in the sale or display of motor vehicles sold by the dealer.

DEPARTMENT: means the Department of Highway Safety and Motor Vehicles.

<u>DERELICT VEHICLES:</u> "Derelict" means any material which is or may have been a motor vehicle or mobile home, which is not a major part or major component part, which is inoperable, and which is in such condition that its highest or primary value is in its sale or transfer as scrap metal.

Any motor vehicle as defined in s. 320.01(1) or mobile home as defined in s. 320.01(2), with or without all parts, major parts, or major component parts, which is valued under \$1,000, is at least 10 model years old, beginning with the model year of the vehicle as year one, and is in such condition that its highest or primary value is for sale, transport, or delivery to a licensed salvage motor vehicle dealer or registered secondary metals recycler for dismantling its component parts or conversion to scrap metal; or

Any trailer as defined in s. 320.01(1), F.S., with or without all parts, major parts, or major component parts, which is valued under \$5,000, is at least 10 model years old, beginning with the model year of the vehicle as year one, and is in such condition that its highest or primary value is for sale, transport, or delivery to a licensed salvage motor vehicle dealer or registered secondary metals recycler for conversion to scrap metal.

http://law.onecle.com/florida/motor-vehicles/319.30.html

Definition of Derelict Vehicle can be found at the web link listed above and section <u>319.30</u> (d), (e), and (f), F.S.

<u>DERELICT MOTOR VEHICLE CERTIFICATE:</u> means a certificate issued by the department which serves as evidence that a derelict motor vehicle will be dismantled or converted to scrap metal. This certificate may be obtained by completing a derelict motor vehicle certificate application authorized by the department. A derelict motor vehicle certificate may be reassigned only one time if the derelict motor vehicle certificate was completed by a licensed salvage motor vehicle dealer and the derelict motor vehicle was sold to another licensed salvage motor vehicle dealer or a secondary metals recycler.

Please refer to TL 35 procedure at http://www3.flhsmv.gov/dmv/Proc/TL/TL-35.PDF and TL 66 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-66.PDF for additional information.

<u>DISCRETIONARY TAX:</u> Additional surtax imposed by certain counties on motor vehicles and mobile homes purchased by residents of that county.

<u>DISPLAY SPACE</u>: The unoccupied land, or space within a building, at a place of business, on or within which a motor vehicle dealer displays motor vehicles for sale. The disoplay space for dealers is specified in FAC 15C-7.003(5) where it states:

Requirements for Display Space.

- (a) Each licensed motor vehicle dealer shall maintain a display space as part of his place of business.
- (b) Such display space shall be for the purpose of displaying motor vehicles offered for sale by the motor vehicle dealer and shall conform to the following specifications:
- 1. The display space of each licensed motor vehicle dealer will be of a sufficient size to store and display all vehicles offered for sale. The display space may be located within a building.
- 2. Display spaces shall be under the exclusive control of the motor vehicle dealer and shall not include an area or space set aside for customer, employee or general public parking nor shall it include any public right-of-way.
- 3. Display spaces shall be contiguous to the dealership office or shall be situated so as to allow easy access by dealership customers.
- 4. Display spaces, whether outside or inside a building, shall have immediate and direct access to a public street or highway or be situated on property, owned or leased by the dealer, to which public access has been granted.
- 5. Display spaces shall physically be divided from any other motor vehicle dealer's display space by a permanent barrier no less than three feet in height and erected in such a manner as to clearly distinguish one dealer's display space from another dealer's display space.

<u>DISTRIBUTORS</u>: A distributor is defined in section <u>320.60(5)</u>, Florida Statutes, as "a person, resident or nonresident, who, in whole or in part, sells or distributes motor vehicles to motor vehicle dealers or who maintains distributor representatives."

<u>DIVISION OF CORPORATIONS:</u> All business entity names and their fictitious name(s) must be registered with the Division of Corporations. On-line access is at <u>www.sunbiz.org</u>. <u>www.sunbiz.org</u>.

<u>DOAH:</u> Division of Administrative Hearings: <u>www.doah.state.fl.us.com</u>.

All petitions for protests received by the Dealer License Section from dealers against the relocation or establishment of a dealer selling the same line-make, or against terminations, charge backs and buy backs are forwarded to DOAH.

<u>DEALER HANDBOOK:</u> This is a reference guide for dealers and can be accessed at the Department's website at http://flhsmv.gov/dmv/DealerHandbook.pdf.

<u>DUMP TRUCKS</u>: As per Technical Advisory (TA) <u>T07-01</u> Dump truck conversions are to be registered as ASPT at the regional office and FLA # is to be assigned by the Regional Office. However, if a person wants to manufacture and sell new dump trucks, they must register with NHTSA as a manufacturer and have a WMI assigned by NHTSA. They must also apply for a manufacturer's license with the department. Thereafter, they can retail by applying for their own Franchise Dealer License (VF license) or wholesale by establishing a network of franchise dealers (VF) as per section <u>320.642</u>, F.S.

<u>DUNE BUGGIES:</u> Dune buggies are modified off-road vehicles built on a small-car chassis. Most dune buggies are not street legal as they do not meet Federal Motor Vehicle Safety Standards (FMVSS), the VIN is not conforming, and the Manufacturer's Statement of Origin (MSO) does not meet the specifications. The manufacturer of street legal dune buggies must meet the licensing requirements of the Department. A dealer must be licensed as a franchise dealer by the Department in order to retail the street legal dune buggies.

<u>E</u>

ELECTRONIC FILING SYSTEM (EFS): EFS is a system available to Tax Collectors to allow organizations the ability to electronically submit forms and fees to the Tax Collector and the Department. EFS are used primarily by auto dealers and fleet companies to process title and registration transactions at the point of sale. It is a Government/Private Partnership where Tax Collectors supervise the approved organizations and contract with certified service providers who transmit the data between the organizations, tax collectors and Department. The Department provides the interface necessary for the EFS vendors to submit title applications. Updated information can be accessed at the Department's website at http://flhsmv.gov/html/DMV/EFS.html.

Department procedures can be accessed at http://www3.flhsmv.gov/dmv/Proc/EFS/EFSContents.html.

EMERGENCY SUSPENSION ORDER (ESO): Occasionally a surety company will cancel a surety bond issued to a dealership or a garage liability insurance company may cancel their policy. When this happens, the surety company notifies the Department in writing that it will cancel or terminate its liability on a bond on a specific date giving reasons for the cancellation. If the dealer does not obtain a reinstatement, new bond or an irrevocable letter of credit by the effective date of the cancellation, the Department will issue an Emergency Suspension Order (ESO) and Administrative Complaint suspending the dealer's license. Once the ESO is served on the dealer, the dealer then has 21 days to respond to the ESO. If, at the end of the 21 day period, the dealer does not obtain a reinstatement, new bond or irrevocable letter of credit, the dealer's license will be revoked. In the event of license revocation, if the dealer wishes to be in business again, an initial licensing process, including application, fees, and supporting

documentation is required. ESOs are sent to dealers when their Garage Liability Policy expires and they have not submitted a new Garage Liability Policy or a reinstatement Garage Liability Policy.

<u>ELECTRONIC TEMPORARY REGISTRATION (ETR):</u> The Department is authorized to administer an electronic system for motor vehicle dealers to issue temporary license plates. This allows law enforcement to verify the validity of a temporary license plate via the Florida Real Time Vehicle Information System (FRVIS). Updated information can be accessed at the Department's website at http://flhsmv.gov/etr/etr.html.

ELECTRIC MOTORCYCLES: means a motorcycle that is powered by an electric motor that draws current from rechargeable storage batteries, fuel cells, or other sources of electrical current.

ELECTRONIC TITLE: E-titles are motor vehicle, mobile home or vessel titles held in an electronic from by the Department. By maintaining the title electronically, the owner eliminates the risk of losing the title and protects it from theft. Owners with e-titles can request a paper title through the Department's <u>Virtual Office website</u>. There is a service fee of \$2.50 to convert an e-title to paper. Click here for <u>more information</u> on e-titles.

<u>ELECTRIC VEHICLES:</u> "Electric vehicle" means a motor vehicle that is powered by an electric motor that draws current from rechargeable storage batteries, fuel cells, or other sources of electrical current. <u>320.01(37)</u>, F.S.

<u>F</u>

FAW: The Florida Administrative Weekly (FAW) is a weekly publication produced by the Department of State's Florida Administrative Code Office.

FAW NOTICE PUBLICATION FOR ESTABLISHMENT AND RELOCATION OF FRANCHISE MOTOR VEHICLE DEALERSHIPS: Pursuant to section 320.642, Florida Statutes, upon receipt of the notice from a licensed manufacturer, importer or distributor to establish or relocate a franchise dealer, the department will submit the notice to be published in the Florida Administrative Weekly. The published notice must state that a petition or complaint by any dealer with standing to protest pursuant to subsection (3) must be filed within 30 days following the date of publication of the notice in the Florida Administrative Weekly. The published notice must describe and identify the proposed dealership sought to be licensed, and the department shall cause a copy of the notice to be mailed to those dealers identified in the licensee's notice under paragraph (c). The licensee shall pay a fee of \$75 and a service charge of \$2.50 for each publication. Proceeds from the fee and service charge shall be deposited into the Highway Safety Operating Trust Fund."

A notice of the establishment of a new dealership or the relocation of an existing dealership must be published in the FAW soon after receipt of a letter of intent from a manufacturer, distributor, or importer unless they are exempt from publication by s. $\underline{320.642}(5)(a)1$, 2, 3, or 4, F.S.

<u>FEES:</u> The Dealer Licensing fee schedule can be accessed at the Department's website at: http://flhsmv.gov/dmv/DealerLicenseFeeSchedule.pdf.

FEID: A Federal Employer's Identification Number (FEID) is required of all employers who have one or more employees. A number may be obtained through the closest Internal Revenue Service Office. Either the number or proof of application for a number is required with the license application. If there are no employees, an affidavit to that effect must be submitted with the application. The affidavit is a part of the application. A federal employer's identification number is mandatory for a corporation. An affidavit is not acceptable for a corporation.

FINGERPRINT: As part of the licensing requirements for dealers, all officers of the dealership must submit a set of electronic fingerprints to the Florida Department of Law Enforcement (FDLE). The Department may issue a license to an applicant pending the results of the fingerprint investigation, which license is fully revocable if the Department subsequently determines that any acts set forth in an application are not true or correctly represented.

All officers and directors of an incorporation, all officers, members and managers of a LLC, partners of a partnership, and sole owners of sole proprietorships are required to be electronically fingerprinted.

Applicants must submit proof of electronic fingerprint from a FDLE authorized service provider for the criminal background check. A list of FDLE authorized service providers can be accessed at the Department's website at

 $\underline{http://www.flhsmv.gov/dmv/FDLEApprovedServiceProviderListForElectronicFingerprints.pdf}.$

Proof of electronic fingerprint from an authorized FDLE service provider must accompany each initial license application for all sole owners, general partners, or corporate officers and directors listed on the application. The fingerprints will be processed through the Florida Department of Law Enforcement and the Federal Bureau of Investigation. The processing time will not delay the issuance of a license. Proper completion of the electronic fingerprint request requires all required information be completed.

Applicants needing assistance with their electronic fingerprints or need to find out the eligibility of a service provider can contact FDLE at 850-410-8161.

FLOOD VEHICLE: "Flood vehicle" means a motor vehicle or mobile home that has been declared to be a total loss pursuant to s. <u>319.30(3)(a)</u>, F.S., resulting from damage caused by water.

FLORIDA RESIDENT: "Florida resident" means a person who has had a principal place of domicile in this state for a period of more than 6 consecutive months, who has registered to vote in this state, who has made a statement of domicile pursuant to s. <u>222.17</u>, F.S., or who has filed for homestead tax exemption on property in this state.

<u>FLORIDA STATUTES:</u> Florida Statutes can be accessed on-line from both the Florida House and Senate websites. Link to the Senate website: <u>www.flsenate.gov</u> and link to the House website: <u>www.flhouse.gov</u>.

FLOOR PLAN: Dealer floor planning is basically a credit line for dealerships to buy vehicles. It allows them to go to auctions (or take trades) and have their inventory without paying for it right up front. This is extremely helpful for small dealerships that do not have the cash to pay for the vehicles. Most dealerships have some sort of floor plan as most dealers do not operate on cash. The floor planner who has loaned the money holds the title to the vehicles.

FORMS: All Department forms can be accessed at http://flhsmv.gov/html/forms.html.

FOREIGN BUYERS AT FLORIDA AUCTIONS: If a customer is from another country, the auction should obtain documentation from that country (that has been translated into English) indicating the customer is a licensed dealer. If the country of origin does not license motor vehicle dealers, the auction should obtain documentation to this effect and indicating that the person involved deals in motor vehicles in their country of origin. Such documentation may be obtained from that country's embassy in the United States.

If a licensed auction dealer wishes to retail motor vehicles, they must apply for an independent motor vehicle dealer's license with the Department. If a licensed auction dealer wishes to retail recreational vehicles, they must apply for a recreational vehicle dealer's license with the Department.

FELONY CONVICTIONS AND CIVIL RIGHTS RESTORATION FOR MOTOR VEHICLE DEALERS: Senate Bill 146 regarding the requirements of civil rights restoration for felony convictions was passed in 2011. Pursuant to the approval of the new legislative change, effective January 1, 2012 an application for a dealer's license cannot be denied based solely on the applicant's lack of civil rights.

The Department, however, will continue to ask for the charging and disposition documents from an applicant if they have been arrested and/or convicted of felony. The Department does have the authority to deny an application if the crime is related to the motor vehicle business.

FRANCHISE DEALERS: A franchise dealer's license (license prefix "VF") allows a franchised dealer to sell new motor vehicles under an established agreement with a manufacturer, importer, or distributor. The license period for a franchise dealer is January 1st through

December 31st. For additional information, please see section <u>320.60(1)</u>, F.S. A licensed franchise dealer can also sell used vehicles.

FRVIS: Florida Real Time Vehicle Information System where the database to capture dealer information is located.

<u>FIFTH WHEEL:</u> The "fifth-wheel trailer," which is a vehicular unit mounted on wheels, designed to provide temporary living quarters for recreational, camping, or travel use, of such size or weight as not to require a special highway movement permit, of gross trailer area not to exceed 400 square feet in the setup mode, and designed to be towed by a motorized vehicle that contains a towing mechanism that is mounted above or forward of the tow vehicle's rear axle.

<u>G</u>

GARAGE LIABILITY INSURANCE (GLI):

Independent dealers (VI), Auction dealers (VA) and Wholesale dealers (VW), have the option to submit a copy of:

- A garage liability insurance certificate which shall include, at a minimum, \$25,000 combined single-limit liability coverage including bodily injury and property damage protection and \$10,000 personal injury protection; OR
- A general liability insurance policy coupled with a business automobile policy, which shall included, at a minimum, \$25,000 combined single-limit liability coverage including bodily injury and property damage protection and \$10,000 personal injury.

Franchise dealers (VF), Recreational dealers (RV & RU), and Mobile Home dealers/brokers (DH/BH) selling recreational vehicles must submit a garage liability insurance certificate which shall include, at a minimum, \$25,000 combined single-limit liability coverage including bodily injury and property damage protection and \$10,000 personal injury protection.

Section 320.27(3), Florida Statutes, for motor vehicle dealers states, "Such application shall contain such other relevant information as may be required by the department, including evidence that the applicant is insured under a garage liability insurance policy or a general liability insurance policy coupled with a business automobile policy, which shall include, at a minimum, \$25,000 combined single-limit liability coverage including bodily injury and property damage protection and \$10,000 personal injury protection. Franchise dealers must submit a garage liability insurance policy, and all other dealers must submit a garage liability insurance policy or a general liability insurance policy coupled with a business automobile policy. Such policy shall be for the license period, and evidence of a new or continued policy shall be delivered to the department at the beginning of each license period."

<u>320.771(3)(j)</u>, Florida Statutes, for recreational vehicle dealers states, "A statement that the applicant is insured under a garage liability insurance policy, which shall include, at a minimum,

\$25,000 combined single-limit liability coverage, including bodily injury and property damage protection, and \$10,000 personal injury protection, if the applicant is to be licensed as a dealer in, or intends to sell, recreational vehicles."

<u>GENERAL POWER OF ATTORNEY:</u> A written document in which one person (the principal) appoints another person to act as an agent on his or her behalf, thus conferring authority on the agent to perform certain acts or functions on behalf of the principal. A general power of attorney allows the attorney-in-fact (agent) to sell, exchange, or transfer a designated motor vehicle or mobile home in the name of an owner(s) (principal). It is important to review the power of attorney to see the actions of the attorney-in-fact are authorized.

<u>GOLF CART:</u> means a motor vehicle that is designed and manufactured for operation on a golf course for sporting or recreational purposes and that is not capable of exceeding speeds of 20 miles per hour. More information on golf carts can be found in section 616.003, <u>320.01(22)</u>, and <u>316.212</u>, F.S.

GOLF CARS: These are golf carts that have been converted to golf cars or Low Speed Vehicles.

GOLF CARS LICENSING REQUIREMENTS:

- Manufacturers of new Low Speed Vehicles (LSV) or golf carts converted to Low Speed Vehicles must be licensed as per section 320.60, Florida statutes. Low Speed Vehicles, having a maximum speed greater than 20 mph, but not greater than 25 mph, fall under the Federal Motor Vehicle Safety Standard No 500 (49 CFR 571.500). At present, golf carts with a maximum speed of less than 20 mph are not required to comply with the LSV standard but are still subject to state and local regulations.
- Used and new golf carts that are converted by a customer as Low Speed Vehicles with a maximum speed greater than 20 mph, but not greater than 25 mph will be titled as assembled from parts (ASPT). Dealers who sell used golf carts/golf cars converted into LSV's must be licensed as independent dealers.
- A person who buys new golf carts and converts them into LSV and sells them as new, is required to be licensed by the Department as a manufacturer.
- Once a manufacturer's license has been issued, they can retail by applying for a franchise dealer's license or wholesale by establishing franchise dealers who have to be approved and licensed by the Department to sell their LSV in the State of Florida, as per requirements of sections 320.645 and 320.642, Florida statutes.
- A person selling new golf carts who also sells the kit to convert golf cart to LSV but does not do the conversion, is not required to be licensed as a manufacturer by the

Department. However, a manufacturers license will be required if the person converts the golf cart to an LSV for the customer.

<u>GOOD STANDING</u>: Pursuant to section <u>320.27(4)(a)</u>, Florida Statutes, any applicant for a new franchised motor vehicle dealer license who has held a valid franchised motor vehicles dealer license continuously for the past two years and who remains in good standing with the Department is exempt from the pre-licensing training requirements.

Pursuant to section 320.27(4)(b), Florida Statutes, any applicant who has held a valid motor vehicle dealer's license continuously within the past two years and who remains in good standing with the Department is exempt from the pre-licensing training requirements. What this means is that the dealer applicant should have held a valid license within the past two years and remain in good standing.

GLIDER KIT: "Glider kit" means a vehicle assembled with a kit supplied by a manufacturer to rebuild a wrecked or outdated truck or truck tractor.

<u>H</u>

HORSE TRAILER: This is a trailer with living space. A trailer which combines living space with storage/transport space, such as a horse trailer with living accommodations for humans, should be classified as a "travel trailer" under section 320.01(1)(b)1, Florida Statutes. Please see procedure TL 10 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-13.PDF for more details.

<u>HULL:</u> Is an identification number (12 digits) issued for vessels. The number must be carved, burned, stamped, embossed or otherwise permanently affixed to the outboard side of the transom.

<u>HUD:</u> All mobile/manufactured homes must be constructed in accordance with regulations of the U.S. Department of Housing and Urban Development (HUD) which are entitled the manufactured Housing construction an safety standards.

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<u>IMPORTER:</u> An importer is defined in section <u>320.60</u> (7), Florida Statues, as any person who imports vehicles from a foreign country into the United States or into this state for the purpose of sale or lease.

IRREVOCALE LETTER OF CREDIT: Must be on the form provided by the Department. The Department approved forms are available at <a href="http://www.flhsmv.gov/html/forms-number-numb

addendums or conditions will be rejected. The original letter of credit must be submitted with the application. Motor vehicle dealer applicants may elect to obtain an irrevocable letter of credit. The irrevocable letter of credit must be issued by a Florida Bank in the amount of \$25,000.00. The letter of credit must be submitted on form HSMV 86057, Irrevocable Letter of Credit for motor vehicle dealer. A mobile home dealer or a mobile home broker applicant may elect to provide an Irrevocable Letter of Credit in the amount of \$25,000. A mobile home dealer with more than four supplemental locations must submit an original Irrevocable Letter of Credit in the amount of \$50,000. The Letter of Credit must be submitted on HSMV form 86058. Substitute forms will not be accepted. Manufacturers' irrevocable letter of credit has a limit of \$50,000.

<u>INDEPENDENT MOTOR VEHICLE DEALER:</u> This indicates that the licensee is an <u>independent dealer</u> (license prefix "VI") who is buying, selling or dealing in used motor vehicles as defined in ss. <u>320.01(1)(a)</u>, Florida Statutes. An independent dealer who wants to sell self propelled or non-self propelled recreational vehicles must apply for a recreational vehicle dealer's license.

<u>INCORPORATIONS:</u> All companies that are incorporated under the state laws of Florida must be registered with the Division of Corporations to have a legal standing to conduct business in the State of Florida. All companies that are incorporated under the laws of another state and wish to conduct business in Florida must register their business as a Foreign Company with the Division of Corporations to have a legal standing to conduct business in the State of Florida. Contact the Division of Corporations on-line at www.Sunbiz.org, or by telephone at 850-488-9000.

Dealer license applicants must submit a copy of the Articles of Organization with their application to the Regional Office.

IDENTIFICATION CARD: Acceptable proof of Identification includes:

- 1. A Florida driver license or identification card; an out of state driver license or identification card.
- 2. A US Passport
- 3. A Canadian driver license, identification card or passport
- 4. A driver license or identification card from any US Territory (American Samoa, Guam, Marianas, Puerto Rico, and the US Virgin Islands); and
- 5. An out of Country Passport

A copy of the proof of identification must be submitted by the applicant for a motor vehicle dealer's license to the Department unless the proof of identification submitted is a Florida driver license or identification card.

- 6. Issued Date- Is nothing more than the date when the license is processed.
- 7. Investors- Are people that invest in other business entities.

INTER AND INTRA STATE:

"Interstate" means vehicle movement between or through two or more states.

"Intrastate" means vehicle movement from one point within a state to another point within the same state. (See 320.01, F.S.)

INTERNET SALES: Only dealers licensed by the Department can sell on the internet.

INVESTIGATION: Is required when a motor vehicle license dealer has committed a fraud in selling a vehicle to a customer, such as changing the odometer reading, or selling a vehicle that has been an accident.

INDICIA OF OWNERSHIP: This refers to indications, marks, signs or circumstances which tend to show that something is probable and existing. It is used in the form of "indicia of title," or "indicia of partnership." As in indicia of ownership, there are facts that possibly show signs that the person has ownership. This can be found in section 320.27(7), Florida Statutes, ""for each used motor vehicle in the possession of a licensee and offered for sale by them, the licensee either shall have in their possession or control a duly assigned certificate of title from the owner in accordance with the provisions of Chapter 319, F.S., from the time when the motor vehicle is delivered to the licensee and offered for sale by them until it has been disposed of by the licensee, or shall have reasonable indicia of ownership or right of possession, or shall have made proper application for a certificate of title or duplicate certificate of title in accordance with the provisions of Chapter 319, F.S. A motor vehicle dealer may not sell or offer for sale a vehicle in his or her possession unless the dealer satisfies the requirements of this subsection. Reasonable indicia of ownership shall include a duly assigned certificate of title; in the case of a new motor vehicle, a manufacturer's certificate of origin issued to or reassigned to the dealer; a consignment contract between the owner and the dealer along with a secure power of attorney from the owner to the dealer authorizing the dealer to apply for a duplicate certificate of title and assign the title on behalf of the owner; a court order awarding title to the vehicle to the dealer; a salvage certificate of title; a photocopy of a duly assigned certificate of title being held by a financial institution as collateral for a business loan of money to the dealer ("floor plan"); a copy of a canceled check or other documentation evidencing that an outstanding lien on a vehicle taken in trade by a licensed dealer has been satisfied and that the certificate of title will be, but has not yet been, received by the dealer; a vehicle purchase order or installment contract for a specific vehicle identifying that vehicle as a trade-in on a replacement vehicle; or a duly executed odometer disclosure statement as required by Title IV of the Motor Vehicle Information and Cost Savings Act of 1972 (Pub. L. No. 92-513, as amended by Pub. L. No. 94-364 and Pub. L. No. 100-561) and by 49 C.F.R. part 580 bearing the signatures of the titled owners of a traded-in vehicle."

JUNK VEHICLES: "Junk" means any material which is or may have been a motor vehicle or mobile home, with or without all component parts, which is inoperable and which material is in such condition that its highest or primary value is either in its sale or transfer as scrap metal or for its component parts, or a combination of the two, except when sold or delivered to or when purchased, possessed, or received by a secondary metals recycler or salvage motor vehicle dealer.

<u>JUMP OFF TITLE:</u> When a dealer does not sign the back of a title when there is still a place for reassignment.

<u>K</u>

<u>KIT CARS:</u> "Kit car" means a motor vehicle assembled with a kit supplied by a manufacturer to rebuild a wrecked or outdated motor vehicle with a new body kit. Please refer to TL 41 procedure at http://www3.flhsmv.gov/dmv/Proc/TL/TL-41.PDF for additional information.

<u>L</u>

LEASE AGREEMENTS: Fictitious names do not need to be stated on the lease agreements. The licensee name as indicated on the application and Division of Corporations must be indicated on the lease agreements. The licensee could be a corporation, LLC, partnership or sole proprietorship. The lease must be current and indicate the names of lessor and lessee, signed by them, and must have the address with zip code as shown on the application as the physical location of the dealership.

LEASE VEHICLES:

- a. "Short-term-lease vehicle" means a motor vehicle leased without a driver and under a written agreement to one or more persons from time to time for a period of less than 12 months.
- b. "Long-term-lease vehicle" means a motor vehicle leased without a driver and under a written agreement to one person for a period of 12 months or longer.
- c. "Lease vehicle" includes both short-term-lease vehicles and long-term-lease vehicles.

<u>LEIN:</u> When someone or a financial entity has financed the purchase of a vehicle, they have a lien on the vehicle.

Correction to title and liens: Please refer to TL 04 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-04.PDF,

Transfer of Certificate of Title Upon Sale for Labor, Service or Storage Lien: TL 25 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-25.PDF for additional information.

Transfer of Certificate of Title Upon Sale for Towing and Storage Lien or Application for Certificate of Destruction by Towing Company: TL 26 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-26.PDF

Transfer of Certificate of Title Upon Sale by a Self-Service Storage Facility (Mini-Warehouse) Owner's Lien: http://www3.flhsmv.gov/dmv/Proc/TL/TL-28.PDF

Notice of Lien, Subsequent Liens and Lien Actions: http://www3.flhsmv.gov/dmv/Proc/TL/TL-32.PDF

Lien Satisfactions and Alternate Methods of Removal of Recorded Liens: http://www3.flhsmv.gov/dmv/Proc/TL/TL-33.PDF

Tax Liens: http://www3.flhsmv.gov/dmv/Proc/TL/TL-64.PDF

<u>LEIN SATISFACTION:</u> Lien satisfaction means full payment of a debt or release of a debtor from a lien by the lien holder. Please refer to TL 18 which is an <u>Application for Certificate of Title and Satisfaction of Liens Involving Registered Owners or Lienholders Who are Deceased</u>: TL 18 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-18.PDF,

LEINHOLDER: A lending institution that loans money to another for a fee.

LEMON LAW: Section <u>681.102</u>(9), Florida Statutes, ""Lemon Law rights period" means the period ending 24 months after the date of the original delivery of a motor vehicle to a consumer." Florida Lemon Laws and the federal Lemon Law (the Magnuson-Moss Warranty Act) provide for compensation to Florida consumers of defective automobiles and trucks and other vehicles and products including motorcycles, RV's, boats, computers and other consumer appliances and products. To qualify under the Florida Lemon Law or the federal Lemon Law, you must generally have a product that suffered multiple repair attempts under the manufacturer's factory warranty. Lemon Law compensation can include a refund, replacement or cash compensation.

The lemon law is regulated by the Florida Office of the Attorney General (http://myfloridalegal.com/pages.nsf/Main/5F1DDC32E4EDCBC885256CC900599FB4). Section 681.109, Florida Statutes gives more information on dispute eligibility.

Please refer to TL 34 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-34.PDF for additional information.

<u>LICENSED DEALER:</u> unless otherwise specifically provided, means a motor vehicle dealer licensed under s. <u>320.27</u>, a mobile home dealer licensed under s. <u>320.77</u>, or a recreational vehicle dealer licensed under s. <u>320.771</u>.

<u>LICENSING FEE SCHEDULE:</u> The license fee schedule can be accessed on-line at the Department's website at http://flhsmv.gov/dmv/DealerLicenseFeeSchedule.pdf.

<u>LICENSING PERIOD</u>: All dealer licenses are issued for a maximum period of one year. The effective and expiration dates for the various categories of licenses are staggered. The licensing periods are as follows:

Franchised motor vehicle dealer (VF)	January 1 - December 31
Franchised motor vehicle service facility (SF)	January 1 - December 31
Independent motor vehicle dealer (VI)	May 1 - April 30
Wholesale motor vehicle dealer (VW)	May 1 - April 30
Motor vehicle auction (VA)	May 1 - April 30
Salvage motor vehicle dealer (SD)	May 1 - April 30
Mobile home dealer (DH)	October 1-September 30
Mobile home broker (BH)	October 1-September 30
Recreational vehicle dealer (RV)	October 1-September 30
Used Recreational vehicle dealer (RU)	October 1-September 30
Non-resident dealer (NI, NH, NR)	January 1 – December 31

LICENSING REQUIREMENTS:

Licensing requirements for motor vehicle dealers: http://flhsmv.gov/dmv/dealer.html

Licensing requirements for mobile home dealers/brokers: http://flhsmv.gov/dmv/dealer.html

Licensing requirements for recreational vehicle dealers: http://flhsmv.gov/dmv/dealer.html

Licensing requirements for motor vehicle, motorcycles and low speed vehicles manufacturer, importer or distributor license applicants. http://flhsmv.gov/dmv/HowDol/ManuImpDist.pdf

Licensing requirements for mobile home manufacturer license applicants. http://flhsmv.gov/dmv/HowDol/ManuImpDist.pdf

Licensing requirements for recreational vehicle manufacturer, importer or distributor license applicants. http://flhsmv.gov/dmv/HowDol/ManuImpDist.pdf

LINE-MAKE: Pursuant to section <u>320.3202(6)</u>, F.S. "Line-make" means a specific series of recreational vehicle products that:

- (a) Are identified by a common series trade name or trademark;
- (b) Are targeted to a particular market segment, as determined by their decor, features, equipment, size, weight, and price range;
- (c) Have lengths and interior floor plans that distinguish the recreational vehicles from other recreational vehicles with substantially the same decor, equipment, features, price, and weight;
- (d) Belong to a single, distinct classification of recreational vehicle product type having a substantial degree of commonality in the construction of the chassis, frame, and body; and
- (e) The manufacturer/dealer agreement authorizes a dealer to sell.

Section 320.60(14), F.S. "Line-make vehicles" are those motor vehicles which are offered for sale, lease, or distribution under a common name, trademark, service mark, or brand name of the manufacturer of same. However, motor vehicles sold or leased under multiple brand names or marks shall constitute a single line-make when they are included in a single franchise agreement and every motor vehicle dealer in this state authorized to sell or lease any such vehicles has been offered the right to sell or lease all of the multiple brand names or marks covered by the single franchise agreement. Except, such multiple brand names or marks shall be considered individual franchises for purposes of s. 320.64(36).

LIMITED LIABILITY COMPANY (LLC): is a separate and distinct legal entity. This means that an LLC can obtain a tax identification number, open a bank account and do business, all under its own name. The primary advantage of a LLC is that its owners, known as members, have "limited liability", meaning that, under most circumstances, they are not personally liable for the debts and liabilities of the LLC. For example, if a LLC is forced into bankruptcy, then, absent special circumstances, the members will not be required to pay the LLC's debts with their own money. If the assets of the LLC are not enough to cover the debts and liabilities, the creditors generally cannot look to the members, managers or officers for recovery.

Limited liability companies are legal entities similar in purpose to corporations with certain business advantages that may be unique to the members forming the entity. Like corporations, a limited liability company (LLC) must register with the Secretary of State, Division of Corporations. All Limited Liability Companies are member-managed entities unless the articles of organization or the operating agreement provide that it is a manager-managed entity.

When a LLC is member-managed; all of the members are agents of the LLC and have the ability to legally bind the LLC. Each member is required to appear on the dealer license application and submit proof of electronic fingerprint from a FDLE authorized service provider for the criminal background check. In the case of a manager-managed LLC, the manager(s) are required to appear on the dealer license application, submit a submit proof of electronic fingerprint from a FDLE authorized service provider for the criminal background check.

A LLC may have other corporations, Limited Liability Companies, Limited Partnerships, etc. as members. The officers from these companies that are going to be authorized signatories in the LLC must be listed on the dealer license application and will have to be electronically fingerprinted by a FDLE authorized service provider. Proof of electronic fingerprint from the authorized FDLE service provider must be submitted with the application.

A LLC applying for a motor vehicle dealer license must provide the Department with copies of both the articles of organization and the operating agreement. The operating agreement is an important document. This is an agreement that is signed by the members of the LLC before the articles of organization are registered and covers clauses regarding the discontinuation of the dealership and surrender of dealer license. If a LLC has been formed without an operating agreement, an affidavit from the dealer to that effect must be collected with the application. On-line access for Division of Corporations is available at www.sunbiz.org.

Florida Statutes: (See sections 608.402(19), (22), 608.407, 608.422, F.S.)

<u>LIMITED PARTNERSHIP:</u> Two or more partners united to conduct a business jointly, and in which one or more of the partners is liable only to the extent of the amount of money that partner has invested. Limited partners do not receive dividends, but enjoy direct access to the flow of income and expenses. This term is also referred to as a "limited liability partnership" (LLP).

<u>LIMITED LIABILITY PARTNERSHIP:</u> A limited liability partnership, or LLP, is a relatively new creation. It operates much like a limited partnership, but gives each member of the LLP protection from personal liability, except to the extent of their investment in the LLP.

If the partnership is a limited partnership, which may be comprised of two or more partners and/or one or more corporations or companies, a breakdown of the structure of the limited partnership must be submitted.

A limited partnership may file a partnership registration statement with the Department of State (s. <u>620.8105</u>, F.S.). Limited Liability Partnerships may file a qualification with the Department of State (s. <u>620.9001</u>, F.S.). A copy of acceptance of the partnership registration must be submitted with the application for a dealer license along with the partnership agreement.

Section <u>620.9002</u>, F.S., requires that the name of a limited liability partnership must end with "Registered Limited Liability Partnership", "Limited Liability Partnership", "Limited Partnership", or "LLP", "LP", or "L.P.", or "LLP" abbreviations.

In the case of two corporations forming a limited liability partnership the dealer agreement may designate a General Partner. This person will be the only person that is required to be on the application and undergo the background check.

LOCATION SPACE AND INSPECTION: Dealers must have a site approved, by a Regional Office, for the dealership location. Once a location is found, contact your local Regional Office to schedule an appointment to have the site inspected. A Division of Motorist Services Compliance Examiner will inspect the location. It is recommended that an applicant not sign a lease until the site has been approved by the Department.

LOW SPEED ELECTRIC VEHICLE: Low-speed vehicle means any four-wheeled electric vehicle whose top speed is greater than 20 miles per hour but not greater than 25 miles per hour, including neighborhood electric vehicles. Low-speed vehicles must comply with the safety standards in 49 C.F.R. s. 571.500 and s. <u>316.2122</u>, and <u>320.01</u> (42), F.S. Please refer to TL 63 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-63.PDF for additional information.

M

<u>MANUAL:</u> Division of Motorist Services Manual and Guides can be accessed on-line at the Department's website at http://flhsmv.gov/html/titlinf.html.

MANUFACTURER: "Manufacturer" means any person, whether a resident or nonresident of this state, who manufactures or assembles motor vehicles or who manufactures or installs on previously assembled truck chassis special bodies or equipment which, when installed, form an integral part of the motor vehicle and which constitute a major manufacturing alteration. The term "manufacturer" includes a central or principal sales corporation or other entity through which, by contractual agreement or otherwise, it distributes its products. (See s. 320.60(9), F.S.)

<u>MANUFACTURED HOME:</u> "Manufactured home" means a mobile home fabricated on or after June 15, 1976, in an offsite manufacturing facility for installation or assembly at the building site, with each section bearing a seal certifying that it is built in compliance with the federal Manufactured Home Construction and Safety Standard Act.

<u>MINI TRUCKS</u>: "Mini truck" means any four-wheeled, reduced-dimension truck that does not have a National Highway Traffic Safety Administration truck classification, with a top speed of 55 miles per hour, and which is equipped with headlamps, stop lamps, turn signal lamps, tail lamps, reflex reflectors, parking brakes, rearview mirrors, windshields, and seat belts. (See s. 320.01(45), F.S.)

MOPED: means any vehicle with pedals to permit propulsion by human power, having a seat or saddle for the use of the rider and designed to travel on not more than three wheels, with a motor rated not in excess of 2 brake horsepower and not capable of propelling the vehicle at a speed greater than 30 miles per hour on level ground, and with a power-drive system that functions directly or automatically without clutching or shifting gears by the operator after the drive system is engaged. If an internal combustion engine is used, the displacement may not exceed 50 cubic centimeters. (See <u>320.01</u>(28), F.S.)

If a manufacturer's certificate of origin states the vehicle is a "motor scooter," the definition of a "motorcycle" or "moped," as shown in sections 320.01(27) and (28) Florida Statutes, must be used as a guide to determine if the vehicle would be a motorcycle (titled and registered) or a moped (registered). The manufacturer's certificate of origin must show the motor's cubic centimeters (CC's).

MOTORCYCLE: "Motorcycle" means any motor vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, excluding a vehicle in which the operator is enclosed by a cabin unless it meets the requirements set forth by the National Highway Traffic Safety Administration for a motorcycle. The term "motorcycle" does not include a tractor or a moped.

Motorcycles will be titled and registered. If a non-exempt (less than 10 calendar years old) motorcycle does not have an odometer, the reading must be shown as 999,999, "Not Actual Miles". If an exempt (10 calendar years old or older) motorcycle does not have an odometer, the odometer status must be shown as "exempt."

All motorcycle manufacturers, importers or distributors regardless of the engine displacement must be licensed by the Department. A licensed manufacturer, importer or distributor of motorcycles with an engine displacement 50 cc's or less, 1492 watts or less or 2 bhp or less can retail to anyone. A list of such licensed manufacturer, importer or distributor can be accessed at http://www.flhsmv.gov/dmv/bulletins/list2012.html and click on the motorcycle list.

However, a licensed manufacturer, importer or distributor of motorcycles with an engine greater than 50 cc's, greater than 1492 watts or greater than 2 bhp can wholesale through licensed franchise dealers or retail by applying for their own franchise dealer's license.

MOTOR VEHICLES: As per s. 320.60(10), F.S., "motor vehicle" means any new automobile, motorcycle, or truck, including all trucks, regardless of weight, including "heavy truck" as defined in s. 320.01(10) and "truck" as defined in s. 320.01(9), the equitable or legal title to which has never been transferred by a manufacturer, distributor, importer, or dealer to an ultimate purchaser; however, when legal title is not transferred but possession of a motor vehicle is transferred pursuant to a conditional sales contract or lease and the conditions are not satisfied and the vehicle is returned to the motor vehicle dealer, the motor vehicle may be resold by the motor vehicle dealer as a new motor vehicle, provided the selling motor vehicle dealer gives the following written notice to the purchaser: "THIS VEHICLE WAS DELIVERED TO A PREVIOUS PURCHASER." The purchaser shall sign an acknowledgment, a copy of which is kept in the selling dealer's file.

MOTOR VEHICLE DEALER: As per s. 320.27(1)(c), F.S. "Motor vehicle dealer" means any person engaged in the business of buying, selling, or dealing in motor vehicles or offering or displaying motor vehicles for sale at wholesale or retail, or who may service and repair motor vehicles pursuant to an agreement as defined in s. 320.60(1). Any person who buys, sells, or deals in three or more motor vehicles in any 12-month period or who offers or displays for sale three or more motor vehicles in any 12-month period shall be prima facie presumed to be engaged in such business. The terms "selling" and "sale" include lease-purchase transactions. A motor vehicle dealer may, at retail or wholesale, sell a recreational vehicle as described in s. 320.01(1)(b) 1.-6. and 8., acquired in exchange for the sale of a motor vehicle, provided such acquisition is incidental to the principal business of being a motor vehicle dealer. However, a motor vehicle dealer may not buy a recreational vehicle for the purpose of resale unless licensed as a recreational vehicle dealer pursuant to s. 320.771. A motor vehicle dealer may apply for a certificate of title to a motor vehicle required to be registered under s. 320.08(2)(b), (c), and (d), using a manufacturer's statement of origin as permitted by s. 319.23(1), only if such dealer is authorized by a franchised agreement as defined in s. 320.60(1), to buy, sell, or deal in such vehicle and is authorized by such agreement to perform delivery and preparation obligations and warranty defect adjustments on the motor vehicle; provided this limitation shall not apply to recreational vehicles, van conversions, or any other motor vehicle manufactured on a truck chassis. The transfer of a motor vehicle by a dealer not meeting these qualifications shall be titled as a used vehicle. The classifications of motor vehicle dealers are defined as follows:

MOBILE HOME: "Mobile home" means a structure, transportable in one or more sections, which is 8 body feet or more in width and which is built on an integral chassis and designed to be used as a dwelling when connected to the required utilities and includes the plumbing, heating, air-conditioning, and electrical systems contained therein. For tax purposes, the length of a mobile home is the distance from the exterior of the wall nearest to the drawbar and coupling mechanism to the exterior of the wall at the opposite end of the home where such walls enclose living or other interior space. Such distance includes expandable rooms, but excludes bay windows, porches, drawbars, couplings, hitches, wall and roof extensions, or other attachments that do not enclose interior space. In the event that the mobile home owner has

no proof of the length of the drawbar, coupling, or hitch, then the tax collector may in his or her discretion either inspect the home to determine the actual length or may assume 4 feet to be the length of the drawbar, coupling, or hitch.

MOBILE HOME DEALERS (DH): This designation is for those persons licensed as mobile home dealers. A mobile home dealer (license prefix "DH") may also buy, sell, deal, or broker in recreational vehicles after applying for a recreational vehicle endorsement to their license with the Department. However, if a mobile home dealer deals exclusively in mobile homes, such dealer may not exercise the privilege of obtaining and using dealer license plates. A "park trailer", as defined in s. 320.01(b)(7), F.S., is a recreational vehicle. Therefore, a mobile home dealer who wishes to sell park models or recreational vehicles must also meet the requirements for garage liability insurance. A licensed mobile home dealer can sell both mobile homes and recreational vehicles in their main location and in the supplemental locations provided they submit garage liability coverage. However, if a licensed mobile home dealer wishes to open a supplemental location exclusively for the sale of recreational vehicles; then they would have to apply for a recreational vehicle dealer's license. As per section 320.771(8), Florida Statutes, a mobile home dealer may apply to the Department for authority to sell recreational vehicles at no additional fee.

NOTE: Pursuant to section 320.77(1)(h), Florida Statues, a licensed mobile home dealer is allowed to display and offer for sale mobile homes in a mobile home park.

MOBILE HOME BROKERS (BH): This designation is for persons licensed as used mobile home brokers. A mobile home broker (license prefix "BH") deals exclusively in used mobile homes and acts as the middleman on behalf of the owner or seller of a used mobile home which is for sale, or who assists or represents the seller in finding a buyer for a used mobile home. A mobile home broker never takes possession of a mobile home, and must meet all licensing requirements of a mobile home dealer with the exception of the display space requirement. A used mobile home broker may also sell used recreational vehicles after applying for a recreational vehicle endorsement to their license with the Department; however, the broker will be required to obtain a garage liability insurance coverage.

MOBILE HOME PARK SALES: Pursuant to section 320.77(1)(h), Florida Statues, a licensed mobile home dealer is allowed to display and offer for sale mobile homes in a mobile home park.

MOBILE HOME MANUFACTURERS (MH): Pursuant to section 320.8225, Florida Statutes, a license is required if any person who engages in the business of a mobile home manufacturer or recreational vehicle manufacturer in this state, or who manufactures mobile homes or recreational vehicles out of state which are ultimately offered for sale in this state and for each factory location out of state which manufactures mobile homes or recreational vehicles for sale

in this state, prior to distributing or importing mobile homes or recreational vehicles for sale in this state.

Details of licensing requirements can be accessed at the Department's website at http://flhsmv.gov/dmv/HowDoI/ManuImpDist.pdf.

Application form HSMV 84256 can be accessed at http://flhsmv.gov/dmv/forms/BFO/84256.pdf.

MOBILE HOME AND RECREATIONAL VEHICLE PROTECTION TRUST FUND: Pursuant to section 320.781,(1)(2), Florida Statutes, there is hereby established a Mobile Home and Recreational Vehicle Protection Trust Fund. The trust fund shall be administered and managed by the Department of Highway Safety and Motor Vehicles. The expenses incurred by the department in administering this section shall be paid only from appropriations made from the trust fund.

(2)Beginning October 1, 1990, the department shall charge and collect an additional fee of \$1 for each new mobile home and new recreational vehicle title transaction for which it charges a fee. This additional fee shall be deposited into the trust fund. The Department of Highway Safety and Motor Vehicles shall charge a fee of \$40 per annual dealer and manufacturer license and license renewal, which shall be deposited into the trust fund.

For more information you can view Section <u>320.781</u>, Florida Statutes at <u>www.flsenate.gov</u>.

<u>MANUFACTURED HOUSING SECTION:</u> Mobile home installer's license and consumer complaints received against manufacturers of mobile homes or the set up of mobile homes are handled by the Manufactured Housing Section. Procedures can be accessed at http://www3.flhsmv.gov/dmv/Proc/MHS/MHSContents.html and http://flhsmv.gov/mobilehome/.

<u>MODIFICATIONS TO A LICENSE</u>: Dealers must submit all modifications to their existing license, example; name change, location change, mailing address change, postal address change, etc on form HSMV 86072. This can be accessed at http://flhsmv.gov/dmv/forms/BFO/86072.pdf.

<u>MOTOR CARRIER:</u> "Motor carrier" means any person owning, controlling, operating, or managing any motor vehicle used to transport persons or property over any public highway. (See s. <u>320.01</u>, F.S.). For additional information you can access http://www3.flhsmv.gov/dmv/Proc/MCS/MCSContents.html.

MOTOR VEHICLE MANUFACTURERS (MV), IMPORTERS (MI) AND DISTRIBUORS (MD): Pursuant to section 320.60, Florida Statutes, a manufacturer means "any person, whether a resident or non-resident of this state, who manufactures or assembles motor vehicles or who manufactures or installs on previously assembled truck chassis special bodies or equipment

which, when installed, form an integral part of the motor vehicle and which constitute a major manufacturing alteration. The term "Manufacturer" includes a central or principal sales corporation or other entity through which, by contractual agreement or otherwise, it distributes its products. Pursuant to section <u>320.645</u>, Florida Statutes, this type of license allows a licensee to retail their line-makes through their own franchise dealer license or through a network of franchise dealers licensed and approved by the Department.

MOTOR HOME: The "motor home," which is a vehicular unit which does not exceed the length, height, and width limitations provided in s. <u>316.515</u>, F.S., is a self-propelled motor vehicle, and is primarily designed to provide temporary living quarters for recreational, camping, or travel use.

<u>MANUFACTURERS STATEMENT OF ORIGIN (MSO/MCO)</u>: Manufacturers Statement of Origin or Manufacturers Certificate of Origin is issued by the manufacturer on new vehicles. It is the initial ownership documentation on a new motor vehicle (birth certificate).

Necessity of manufacturer's statement of origin and certificate of title:

As per section <u>319.21</u>, F.S.:

(1) No manufacturer, distributor, licensed dealer, or other person shall sell or otherwise dispose of a new motor vehicle or a new mobile home to a distributor, licensed dealer, or other person without delivering to such distributor, licensed dealer, or other person a manufacturer's statement of origin duly executed and with such assignments thereon as may be necessary to show title in the purchaser thereof, on forms approved by the department; nor shall any distributor, licensed dealer, or other person purchase, acquire, or bring into the state, except for temporary use and not for sale, a new motor vehicle or a new mobile home without obtaining from the seller thereof the manufacturer's statement of origin. Such statement of origin shall be in the English language. In addition to the assignments stated herein, the manufacturer's statement of origin shall contain a certification of the identification and description of the motor vehicle or mobile home delivered and the name and address of the distributor, licensed dealer, or other person to whom the motor vehicle or mobile home was originally sold, over the signature of an authorized official of the manufacturer who made the original delivery; however, no statement of origin shall be required for any new motor vehicle or new mobile home purchased from a person other than a manufacturer or a representative of a manufacturer in a state which does not require such statement of origin. Prior to the issuance of a certificate of title for any such new motor vehicle or new mobile home, the holder of any security interest therein may demand and receive from the owner thereof the manufacturer's statement of origin and may retain it as long as he or she holds the security interest.

- (2) When a motor vehicle is built in two or more stages, each manufacturer must provide a manufacturer's statement of origin for each stage.
- (3) Except as provided in s. 320.27(7), no person shall sell or otherwise dispose of a motor vehicle or mobile home without delivering to the purchaser or transferee thereof a certificate of title with such assignment thereon as may be necessary to show title in the name of the purchaser. No person shall purchase or otherwise acquire or bring into the state a motor vehicle or mobile home, except for a surviving spouse as provided by s. 319.28 or except for temporary use, unless such person obtains a certificate of title for it in his or her name in accordance with the provisions of this chapter. However, any licensed dealer may, in lieu of having a certificate of title issued in the dealer's name, reassign any existing certificate of title, except as provided in s. 319.225. It shall not be necessary for any licensed dealer to obtain a certificate of title on any new motor vehicle or new mobile home which he or she is selling or which he or she acquires for sale if the dealer obtains a manufacturer's statement of origin as provided in subsection (1); however, the dealer shall attach the manufacturer's statement of origin to the separate application for initial certificate of title which is made by the purchaser and certify on the face of such application that the vehicle is a new motor vehicle or new mobile home and shall also disclose the name and address of the manufacturer, distributor, or other person from whom the dealer acquired such motor vehicle or mobile home. In no event shall a manufacturer's statement of origin be issued or reissued to any distributor, licensed dealer, or other person for the purpose of updating any motor vehicle or mobile home for sale. As used in this subsection, the term "updating" means:

<u>MINI-TRUCK:</u> "Mini truck" means any four-wheeled, reduced-dimension truck that does not have a National Highway Traffic Safety Administration truck classification, with a top speed of 55 miles per hour, and which is equipped with headlamps, stop lamps, turn signal lamps, tail-lamps, reflex reflectors, parking brakes, rearview mirrors, windshields, and seat belts.

<u>N</u>

NCIC: National Crime Information Center. They assign line-makes for Manufacturers registered with the National Highway Traffic Safety Administration (NHTSA).

NHTSA: National Highway Traffic Safety Administration. All manufacturers licensed by the Department must meet with NHTSA requirements.

Before a manufacturer can offer motor vehicles for sale in the United States, a manufacturer must designate an agent for service of process in this country (Title 49 CFR 551.45) (Procedural Rules). It must also apply for its own world manufacturing identifier (WMI), comprising the first

three characters of the vehicle identification number which must be affixed to the vehicles it manufactures.

In addition:

- Title 49 CFR part 565 (Vehicle Identification Number Requirements),
- Title 49 CFR part 566 (Manufacturer Identification) and
- Title 49 CFR part 567 (Certification), the certification label constitutes the manufacturers certification that the motor vehicle "conforms to all applicable Federal Motor Vehicle Safety Standards in effect on the date of manufacture." Copies of any letters from NHTSA verifying that you have met these requirements must be provided to the Department with your application.

Additional information on other requirements for new vehicle manufacturers can be obtained from NHTSA by phone at 202-366-5302, or by fax 202-493-0073, or on-line at www.nhtsa.gov.

<u>NICB</u>: The National Insurance Crime Bureau is a not-for-profit organization that receives support from approximately 1,000 property/casualty insurance companies. The NICB partners with insurers and law enforcement agencies to facilitate the identification, detection and prosecution of insurance criminals. Much of NICB's focus is on motor vehicle theft. Membership is limited to insurance companies and the self-insured.

<u>NADA:</u> National Automobile Dealers Association. The NADA story began in 1917 when 30 auto dealers traveled to the nation's capital to convince Congress not to impose a luxury tax on the automobile. They successfully argued that the automobile is a necessity of American life, not a luxury. From that experience was born the National Automobile Dealers Association. Today, NADA represents nearly 16,000 new car and truck dealers, with 32,500 franchises, both domestic and international.

<u>NADA Membership</u> is open to any new car and truck dealership holding a sales and service franchise.

NADA:

- Represents all dealers domestic and import franchises on Capitol Hill, federal agencies, media and general public;
- Provides education and guidance on regulatory matters;
- Represents dealers interests with automobile and truck manufacturers;
- Develops research data on the retail automobile industry;
- Offers extensive training programs to improve dealership business operations, sales and service practices via NADA University;
- Operates a charitable foundation that distributes funds donated by dealers and friends to emergency/medical and educational organizations and private-sector colleges and universities; and

• Offers employee benefit plans through its retirement services group, NADART.

NEW MOTOR VEHICLE: "New motor vehicle" means a motor vehicle the equitable or legal title to which has never been transferred by a manufacturer, distributor, importer, or dealer to an ultimate purchaser; however, when legal title is not transferred but possession of a motor vehicle is transferred pursuant to a conditional sales contract or lease and the conditions are not satisfied and the vehicle is returned to the motor vehicle dealer, the motor vehicle may be resold by the motor vehicle dealer as a new motor vehicle, provided the selling motor vehicle dealer gives the following written notice to the purchaser: "THIS VEHICLE WAS DELIVERED TO A PREVIOUS PURCHASER." The purchaser shall sign an acknowledgment, a copy of which is kept in the selling dealer's file. See s. 319.001 (9), F.S.

NEW MOBILE HOME: "New mobile home" means a mobile home the equitable or legal title to which has never been transferred by a manufacturer, distributor, importer, or dealer to an ultimate purchaser. See s. 319.001(8), F.S.

<u>NMVTIS</u>: National Motor Vehicle Title Information System. Information can be accessed online at: http://www.vehiclehistory.gov/. NMVTIS is designed to protect consumers from fraud and unsafe vehicles and to keep stolen vehicles from being resold. NMVTIS is also a tool that assists states and law enforcement in deterring and preventing title fraud and other crimes.

Use NMVTIS to access important vehicle history information. Data available to consumers include:

Title Data;
Brand History;
Odometer Reading;
Total Loss History; and
Salvage History.

NON-RESIDENT DEALERS: Pursuant to section 320.71, Florida Statutes, Any person, who is a non-resident of the state, who does not have a dealer's contract from the manufacturer or manufacturer's distributor of motor vehicles, mobile homes, or recreational vehicles authorizing the sale thereof in definite Florida territory, and who sells or engages in the business of selling motor vehicles at retail in the state shall register with the Department of Revenue for a sales tax dealer registration number and comply with Chapter 212, F.S., and pay a license tax of \$2,000 per annum in each county where such sales are made. This tax is in addition to the licensing fee.

NOTE: An applicant for a motor vehicle dealer's license will be considered a Florida resident dealer provided they meet all the licensing requirements as per section 320.27, Florida Statutes, have a physical location in the state of Florida that meets the location requirements of Rule 15C-7.003(4), Florida Administrative Code (FAC), and the business is registered with the Division of Corporations, Secretary of State, to conduct business in the state of Florida. An

applicant is not considered a non-resident because they have registered the business with the Division of Corporations as a Foreign Corporation/LLC/Partnership, or has started a company under the laws of another state or country or submits Articles of Incorporation registered in another state.

This means that all applicants for a motor vehicle dealer's license in the state of Florida will be considered as Florida resident dealers as long as they meet the licensing requirements as required by Florida Law. For more information you can view Section 320.781, Florida Statutes at www.flsenate.gov.

NON-CONFORMING VEHICLE: "Nonconforming vehicle" means a motor vehicle which has been purchased by a manufacturer pursuant to a settlement, determination, or decision under Chapter 681, F.S.

NOTARIZATION: Notarization is to certify or attest to the validity of a signature on a document, for example, as a notary public.

NOTARIZATION ALTERNATIVES: This statement can substitute for a notarized oath if it contains the following language:

"Under penalties of perjury, I declare that I have read the foregoing and that the facts stated in it are true."

By signing a document with this language, a person can make a sworn written statement without having it notarized.

The statement can be used on affidavits and other generic forms prepared in-house. Please not that all affidavits, etc., must include a description of the vehicle including the vehicle identification number.

Notarization is not required on any in state or out-of-state MCO, even if there is a place for notarization.

<u>O</u>

<u>ODOMETER DISCLOSURE:</u> An odometer verification statement requiring the transferor to state the odometer information and the transferee to acknowledge the statement. Please refer to TL 09 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-09.PDF for additional information

<u>ODOMETERR FRAUD:</u> Please refer to TL 56 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-56.PDF for additional information.

<u>OFF HIGHWAY VEHICLES:</u> "Off-Highway Vehicles" are defined as any ATV, two-rider ATV, motorized recreational off highway vehicle(ROV) or off highway motorcycle (OHM) that is used off the roads or highways of this state and that is not registered and licensed for highway use.

Please refer to TL44 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-44.PDF for additional information

OFFICE: A structure of a permanent nature where the business of dealing in motor vehicles can be conducted.

OFFICE SPACE: 15C-7.003(4)(a), FAC, specifies the requirements for office space for motor vehicles dealers:

Each licensed motor vehicle dealer shall maintain an office as part of his place of business. The offices of motor vehicle dealers shall conform to the following standards:

- 1. No office shall be operated from or maintained in any residence.
- 2. The office must be in a permanent structure at the licensed location. In the case of an office trailer, the office must be anchored or tied down.
- 3. Each office shall have a minimum of 100 square feet of interior floor space exclusive of any hallways, closets or restrooms and a minimum 7' ceiling.
- 4. The office must be clearly separated from any other business which is being operated in the structure or building which houses the dealership.

OFF PREMISE SALES: Pursuant to Section 320.27(5), F.S. for motor vehicle dealers, an off premise site is a location other than the licensed location for the dealer. "A supplemental license authorizing off-premises sales shall be issued, at no charge to the dealer, for a period not to exceed 10 consecutive calendar days. To obtain such a temporary supplemental license for off-premises sales, the applicant must be a licensed dealer; must notify the applicable local department office of the specific dates and location for which such license is requested, display a sign at the licensed location clearly identifying the dealer, and provide staff to work at the temporary location for the duration of the off-premises sale; must meet any local government permitting requirements; and must have permission of the property owner to sell at that location. In the case of an off-premises sale by a motor vehicle dealer licensed under subparagraph (1)(c)1., F.S., for the sale of new motor vehicles, the applicant must also include documentation notifying the applicable licensee licensed under s. 320.61 of the intent to engage in an off-premises sale 5 working days prior to the date of the off-premises sale. The licensee shall either approve or disapprove of the off-premises sale within 2 working days after receiving notice; otherwise, it will be deemed approved. This section does not apply to a nonselling motor vehicle show or public display of new motor vehicles."

Section 320.3203(5), F.S. specifies the requirements for an off premise permit for recreational vehicle dealer. "Notwithstanding subsection (4), a dealer may sell outside of its designated area of sales responsibility if the dealer obtains an offsite/supplemental license pursuant to s. 320.771(7) and meets any one of the following conditions:

- (a) For sales of the same line-make within another dealer's designated area of sales responsibility, the dealer must obtain in advance of the off-premise sale a written agreement signed by the dealer, the manufacturer of the recreational vehicles to be sold at the off-premise sale, and the dealer in whose designated area of sales responsibility the off-premise sale will occur which:
 - 1. Designates the line-make of the recreational vehicles to be sold;
 - 2. Sets forth the time period for the off-premise sale; and
 - 3. Affirmatively authorizes the sale of the same line-make of the recreational vehicles.
- (b) The off-premise sale is not located within any dealer's designated area of sales responsibility and is in conjunction with a public vehicle show.
- (c) The off-premise sale is in conjunction with a public vehicle show in which more than 35 dealers are participating and the show is predominantly funded by manufacturers. For the purposes of this subsection, the term "public vehicle show" means an event sponsored by an organization approved under s. 501(c)(6) of the Internal Revenue Code which has the purpose of promoting the welfare of the recreational vehicle industry and is located at a site that:
 - 1. Will be used to display and sell recreational vehicles;
 - 2. Is not used for off-premise sales for more than 10 days in a calendar year; and
 - 3. Is not the location set forth on any dealer's license as its place of business.

<u>OFF-HIGHWAY MOTORCYCLE:</u> "OHM" or "off-highway motorcycle" means any motor vehicle used off the roads or highways of this state that has a seat or saddle for the use of the rider and is designed to travel with not more than two wheels in contact with the ground, but excludes a tractor or a moped.

<u>OPERATING AGREEMENT:</u> The operating agreement is an important document. This is an agreement that is signed by the members of the LLC before the articles of organization are registered and covers clauses regarding the discontinuation of the dealership and surrender of dealer license. An LLC applying for a motor vehicle dealer license must provide the Department with copies of both the articles of organization and the operating agreement. If a LLC has been formed without an operating agreement, an affidavit from the dealer to that effect must be collected with the application

<u>OWNER:</u> "Owner", means a person, other than a lienholder, having the property in or title to an off-highway vehicle, including a person entitled to the use or possession of an off-highway vehicle subject to an interest held by another person, reserved or created by agreement and securing payment of performance of an obligation, but the term excludes a lessee under a lease not intended as security.

P

PARK TRAILER: The "park trailer," which is a transportable unit which has a body width not exceeding 14 feet and which is built on a single chassis and is designed to provide seasonal or temporary living quarters when connected to utilities necessary for operation of installed fixtures and appliances. The total area of the unit in a setup mode, when measured from the exterior surface of the exterior stud walls at the level of maximum dimensions, not including any bay window, does not exceed 400 square feet when constructed to ANSI A-119.5 standards, and 500 square feet when constructed to United States Department of Housing and Urban Development Standards. The length of a park trailer means the distance from the exterior of the front of the body (nearest to the drawbar and coupling mechanism) to the exterior of the rear of the body (at the opposite end of the body), including any protrusions. (See s. 320.01(7), F.S.)

<u>PARTNERSHIPS:</u> is defined as a legal contract entered into by two or more persons in which each agrees to furnish a part of the capital and labor for a business enterprise, and by which each shares a fixed proportion of profits and losses.

<u>PASSENGER VEHICLES:</u> The U.S. Department of Transportation's definition of a passenger vehicle, to mean a car or truck, used for passengers, excluding buses and trains. A passenger car is a road motor vehicle, other than a motor cycle, intended for the carriage of passengers and designed to seat no more than nine persons (including the driver).

The term "passenger car" therefore covers micro cars (need no permit to be driven), taxis and hired passenger cars, provided that they have fewer than ten seats. This category may also include pick-ups.

<u>PAWNBROKERS</u>: TL 47 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-47.PDF for additional information.

<u>PERSONAL INJURY PROTECTION (PIP)</u>: Section <u>320.27</u>(3), F.S., requires all motor vehicle dealer applicants to submit_proof of a garage liability insurance policy or a general liability insurance policy coupled with a business automobile policy, which shall include, at a minimum, \$25,000 combined single-limit liability coverage including bodily injury and property damage protection and \$10,000 personal injury protection. Franchise dealers must submit a garage liability

insurance policy, and all other dealers must submit a garage liability insurance policy or a general liability insurance policy coupled with a business automobile policy. Such policy shall be for the license period, and evidence of a new or continued policy shall be delivered to the department at the beginning of each license period.

Section 320.771(j), F.S., requires from a recreational vehicle dealer proof of garage liability insurance policy, which shall include, at a minimum, \$25,000 combined single-limit liability coverage, including bodily injury and property damage protection, and \$10,000 personal injury protection, if the applicant is to be licensed as a dealer in, or intends to sell, recreational vehicles.

Section 320.771(8), F.S., states that any mobile home dealer licensed pursuant to s. 320.77, may apply to the department for authority to sell recreational vehicles. The mobile home dealer shall file an application required by this section and shall be governed by the licensing provisions contained herein. A mobile home deals with an RV endorsement must submit proof of garage liability insurance policy, which shall include, at a minimum, \$25,000 combined single-limit liability coverage, including bodily injury and property damage protection, and \$10,000 personal injury protection, if the applicant is to be licensed as a dealer in, or intends to sell, recreational vehicles

<u>PETITIONS:</u> a formally drawn request often bears the name(s) of those making the request that is addressed to a person or group of persons in authority or power, soliciting some favor, right, mercy, or other benefit: a petition for clemency; a petition for the repeal of an unfair law.

As per section <u>320.642</u>, Florida Statutes, dealers selling the same line-make can submit their petition to the Department protesting the relocation or establishment of a dealer within 30 days following the notice published in the FAW. Motor Vehicle Dealers also submit petitions protesting their terminations by their manufacturers.

<u>PHYSICAL ADDRESS:</u> This is the actual location which has been inspected by the Regional Office Compliance officer and licensed by the Department to the dealer. This is the location at which the dealer is licensed to conduct their business.

<u>PIN NUMBER:</u> A confidential pin-number is issued with the license. The pin-number does not appear on the dealer license, but is supplied separately to the licensee on the receipt and must be safeguarded, and used by the licensee to process any work at any Bureau of Motor Vehicle Field Operations, Regional Office or tax collector office. A dealer will not be able to process title work or purchase temporary tags or dealer tags unless the dealer produces the correct pin-number for a current license number. The confidential pin-number is not changed unless/until the dealer requests it in writing. The confidential pin-number will not be printed each year.

The pin-number is not available to the tax collectors on the computer system and cannot be checked or verified by them. The dealer or the dealer's representative must present the pin-number either verbally or in writing to the tax collector's office.

If a pin-number is lost, misplaced, or forgotten, a dealer principle may personally contact the Bureau of Motor Vehicle Field Operations; Regional Office responsible for their dealership and upon showing proof of identity to the Regional Office staff can advise the dealer of their existing pin-number. If a dealer wishes to change their pin-number, a request must be submitted the Division of Motorist Services, Dealer License Section, Tallahassee in writing, on the dealer's letterhead. The Dealer License Section will change the pin number upon verifying the signature of the officer that submitted the request. Since the pin-number is a security feature, this procedure is designed to protect the dealer. The Division of Motorist Services will not release the pin-number under any circumstances without written authorization. The request should be sent to:

Division of Motorist Services
Dealer License Section
2900 Apalachee Parkway
Mail Stop 65, Room A312
Tallahassee, FL 32399

NOTE: It is only necessary to provide the pin-number at the time title and registration work is processed at a tax collector's office. The pin-number should not be entered on dealer reassignments, nor should it be written on title work. If a dealer is processing work at a tag agency, the dealer may verbally communicate the pin-number to the clerk entering the work. If the work has to be left at the tag agency, the dealer may wish to put the pin-number on a piece of paper. The Division of Motorist Services does not regulate how this pin-number is communicated to the tag agency, but the tag agency cannot process the work without it. Other than communicating the pin-number to the tag agency, no one else has any reason to know the pin-number or has any use for it.

POWER OF ATTORNEY: An instrument in writing whereby one person, as principal (owner) appoints another as his agent and confers authority to perform certain specified acts or kinds of acts on behalf of the principal. The agent's power is revoked by operation of law on the death of the principle.

Procedure <u>TL-02</u> states: No person, other than the owner of a record or the authorized, designated company representative, may sign any document submitted as part of a certificate of title application or certificate of title transfer unless they have been appointed as attorney-in-fact in a "power of attorney."

- a. The form HSMV <u>82995</u>, Motor Vehicle Power of Attorney/Odometer Disclosure, MUST be the ORIGINAL, as a certified copy is not acceptable.
- b. The form HSMV <u>82053</u>, general/limited or durable power of attorney, must be an original or certified copy and must be viewed by the clerk at the time of the transaction.

However, a copy of the power of attorney may be submitted once the clerk has viewed the original or certified copy.

c. "General", or "LIMITED" power of attorney must show the name of the appointee and clearly specify the appointee's authority. The forms HSMV <u>82053</u> and HSMV <u>82995</u> are both limited powers of authority.

Please refer to TL 02 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-02.PDF for additional information.

<u>PRE-LICENSING DEALER TRAINING:</u> Completion of a pre-licensing dealer training course is required for all license categories at a Department approved Dealer Training School. A list of the Department approved Dealer Training Schools is available online at the following link: http://www.flhsmv.gov/dmv/L Dealer Trng Sch.pdf.

PRIMARY LOCATION FOR A DEALER: This is location that has been inspected and licensed by the Department for the Dealer and is the primary place of business.

PRIVATE COACH: The "private motor coach," which is a vehicular unit which does not exceed the length, width, and height limitations provided in s. 316.515(9), is built on a self-propelled bus type chassis having no fewer than three load-bearing axles, and is primarily designed to provide temporary living quarters for recreational, camping, or travel use.

PROOF OF OWNERSHIP: Pursuant to section 320.27(7), F.S For each used motor vehicle in the possession of a licensee and offered for sale by them, the licensee either shall have in their possession or control a duly assigned certificate of title from the owner in accordance with the provisions of Chapter 319, from the time when the motor vehicle is delivered to the licensee and offered for sale by them until it has been disposed of by the licensee, or shall have reasonable indicia of ownership or right of possession, or shall have made proper application for a certificate of title or duplicate certificate of title in accordance with the provisions of Chapter 319. A motor vehicle dealer may not sell or offer for sale a vehicle in his or her possession unless the dealer satisfies the requirements of this subsection. Reasonable indicia of ownership shall include a duly assigned certificate of title; in the case of a new motor vehicle, a manufacturer's certificate of origin issued to or reassigned to the dealer; a consignment contract between the owner and the dealer along with a secure power of attorney from the owner to the dealer authorizing the dealer to apply for a duplicate certificate of title and assign the title on behalf of the owner; a court order awarding title to the vehicle to the dealer; a salvage certificate of title; a photocopy of a duly assigned certificate of title being held by a financial institution as collateral for a business loan of money to the dealer ("floor plan"); a copy of a canceled check or other documentation evidencing that an outstanding lien on a vehicle taken in trade by a licensed dealer has been satisfied and that the certificate of title will be, but has not yet been, received by the dealer; a vehicle purchase order or installment contract for a specific vehicle identifying that vehicle as a trade-in on a replacement vehicle; or

a duly executed odometer disclosure statement as required by Title IV of the Motor Vehicle Information and Cost Savings Act of 1972.

Section 320.77(10), F.S.: The licensee shall also have in their possession for each new mobile home a manufacturer's invoice or statement of origin, and for each used mobile home a properly assigned certificate of title or registration certificate if the used mobile home was previously registered in a nontitle state, from the time the mobile home is delivered to the licensee until it has been disposed of by them.

Section <u>320.771</u>, F.S., states:

- (a) The licensee shall also have in their possession for each new recreational vehicle a manufacturer's invoice or statement of origin.
- (b) For each used recreational vehicle in the possession of a licensee and offered for sale by them, the licensee either shall have in their possession or control a duly assigned certificate of title from the owner in accordance with the provisions of Chapter 319, or a registration certificate if the used recreational vehicle was previously registered in a nontitle state, from the time when the vehicle is delivered to the licensee and offered for sale by them until it has been disposed of by the licensee, or shall have reasonable indicia of ownership or right of possession, or shall have made proper application for a certificate of title or duplicate certificate of title in accordance with the provisions of Chapter 319, F.S. A dealer may not sell or offer for sale a vehicle in their possession unless the dealer satisfies the requirements of this subsection. Reasonable indicia of ownership shall include a duly assigned certificate of title; in the case of a new vehicle, a manufacturer's certificate of origin issued to or reassigned to the dealer; a consignment contract between the owner and the dealer along with a secure power of attorney from the owner to the dealer authorizing the dealer to apply for a duplicate certificate of title and assign the title on behalf of the owner; a court order awarding title to the vehicle to the dealer; a salvage certificate of title; a photocopy of a duly assigned certificate of title being held by a financial institution as collateral for a business loan of money to the dealer ("floor plan"); a copy of a canceled check or other documentation evidencing that an outstanding lien on a vehicle taken in trade by a licensed dealer has been satisfied and that the certificate of title will be, but has not yet been, received by the dealer; a vehicle purchase order or installment contract for a specific vehicle identifying that vehicle as a trade-in on a replacement vehicle; or a duly executed odometer disclosure statement as required by Title IV of the Motor Vehicle Information and Cost Savings Act of 1972.

PROTO TYPE: Is a **concept vehicle** or **show vehicle** is a car made to showcase new styling and or new technology. They are often shown at motor shows to gauge customer reaction to new and radical designs which may or may not have a chance of being produced.

Concept cars never go into production directly; in modern times all would have to undergo many changes before the design is finalized for the sake of practicality. They are not sold. In

Florida they are used as prototypes for 1 year after which the motor vehicle must be destroyed or returned to where it came from.

Q

<u>QUESTIONS AND ANSWERS:</u> You can access valuable information regarding licensing procedures for dealers, manufacturers, importers and distributors of motor vehicles, mobile homes and recreational vehicles at the Department's website at http://www.flhsmv.gov/html/titlinf.html.

R

RAG TOP TRAILERS: Is also known as an open top truck. It is a trailer with a removable top, which is usually made of tarp material; also referred to as a ragtop.

REAL PROPERTY: Real Property is mobile home and land together. An owner of a mobile home which is permanently affixed to real property owned by that same person may permanently retire the title to the mobile home. The term "real property owned by that same person" shall include any tenancy of a recorded leasehold interest in the real property for a term of 30 years or more.

For additional information on real property, please see section <u>319.261</u>, F.S.

REBUILT VEHICLE: "Rebuilt vehicle" means a motor vehicle or mobile home built from salvage or junk, as defined in s. 319.30(1), F.S.

REBUILT DECAL: Any person who removes a rebuilt decal from a rebuilt vehicle with the intent to conceal the rebuilt status of the vehicle commits a felony of the third degree, punishable as provided in s. <u>775.082</u>, s. <u>775.083</u>, or s. <u>775.084</u>, F.S.

RECORDS RETENTION AND RECORD KEEPING:

A. Records Keeping:

1. Requirements: sections <u>319.35</u>, <u>319.23(3)(2)(b)</u>, <u>320.27(3)</u>, <u>320.17(6)</u>, <u>320.27(7)</u>, and <u>320.27(b)5.</u>, F.S.

Florida Statutes require an applicant for any dealer license certify the location where the business is to be conducted provides an adequately equipped office space where the applicant can, in good faith, carry on such business and keep and maintain books, records and files necessary to conduct such business. The law also requires records to be available at all reasonable hours to inspection by the Department, any of its compliance offices, or other employees.

Dealers must keep a book or record on motor vehicle, mobile home, and recreational vehicle transactions in such form as prescribed or approved by the Department for a period of five (5) years.

- a. At a minimum, records must be kept of the purchase, sale or exchange of any motor vehicle, mobile home, or recreational vehicle to include the following:
 - The number and date of issuance of a temporary tag. The department does require dealers to maintain a separate numerical log of all temporary tags issued. An accounting must be made for each temporary tag. Records must be kept for five years.
 - 2) The date of a title transfer, the title number and state of issue;
 - 3) The alleged owner or person from who such motor vehicle, mobile home, or recreational vehicle was purchased or received;
 - 4) The name and address of the person to whom the motor vehicle, mobile home, or recreational vehicle was sold or delivered; and
 - 5) Although authority exists for the Department to prescribe or approve the form in which records are maintained by dealers, the Department has chosen to specify the data elements that must be maintained but to only suggest, rather that mandate, a specific form or format for records maintenance with the exception of a numerical temporary tag log (see the Department's SharePoint site for access to forms HSMV 84013, Vehicle Purchase Record, form HSMV 84014, Vehicle Sales Record, and form HSMV 84016, Temporary Tag Record).
 - 6) A licensed dealer must have a certificate of title duly assigned by the owner to the dealer for each vehicle offered for sale by the dealer. If a dealer has made proper application for a certificate of title or duplicate certificate of title in accordance with statutory requirements, possession of the title is satisfied.

A duly assigned certificate of title must have the following information entered in the appropriate spaces where provisions are made for such information on the title form:

- 1. Name of the dealer or purchaser;
- 2. The selling price, if sold to anyone other than a license dealer;
- 3. The odometer reading;

- 4. The date the odometer was read;
- 5. An indication if the odometer reading is not the actual mileage or if the mileage exceeds mechanical limits of the odometer;
- 6. The signature and printed names of the transferee and the transferor;
- 7. The seller's address; and
- 8. Auction information, when applicable
- 7) A motor vehicle dealer is also required to provide a customer or purchaser with a written odometer disclosure statement and all dealers must provide their customers of any bona fide written, executed sales contract or agreement of purchase connected with the purchase of a motor vehicle. These requirements include the following types of documentation:
 - a. An odometer disclosure statement. The dealer must maintain copies of odometer statements for five (5) years. Section 319.225(4), F.S. exempt vehicles-GVW more than 16,000, 10 years old or older, not self propelled;
 - b. A sales contract;
 - c. A purchase agreement;
 - d. A finance contract;
 - e. An insurance contract;
 - f. A warranty agreement; and
 - g. Any other agreement relevant to the motor vehicle transaction.

RECREATIONAL OFF-HIGHWAY VEHICLE: "ROV" means any motorized recreational off-highway vehicle 64 inches or less in width, having a dry weight of 2,000 pounds or less, designed to travel on four or more non-highway tires, having nonstraddle seating and a steering wheel, and manufactured for recreational use by one or more persons. The term "ROV" does not include a golf cart as defined in ss. 320.01(22) and 316.003(68) or a low-speed vehicle as defined in s. 320.01(42), F.S.

RENEWAL SECHEDULE: The Renewal Schedule for dealer licenses can be access on-line at: http://flhsmv.gov/dmv/DealerLicenseRenewalSchedule.pdf.

RECREATIONAL VEHICLES: A recreational vehicle-type unit primarily designed as temporary living quarters for recreational, camping, or travel use, which either has its own motive power or is mounted on or drawn by another vehicle. Recreational vehicle-type units, when traveling on the public roadways of this state, must comply with the length and width provisions of s. 316.515, F.S., as that section may hereafter be amended. As defined below, the basic entities are:

- 1. The "travel trailer," which is a vehicular portable unit, mounted on wheels, of such a size or weight as not to require special highway movement permits when drawn by a motorized vehicle. It is primarily designed and constructed to provide temporary living quarters for recreational, camping, or travel use. It has a body width of no more than 8 1/2 feet and an overall body length of no more than 40 feet when factory-equipped for the road.
- 2. The "camping trailer," which is a vehicular portable unit mounted on wheels and constructed with collapsible partial sidewalls which fold for towing by another vehicle and unfolds at the campsite to provide temporary living quarters for recreational, camping, or travel use.
- 3. The "truck camper," which is a truck equipped with a portable unit designed to be loaded onto, or affixed to, the bed or chassis of the truck and constructed to provide temporary living quarters for recreational, camping, or travel use.
- 4. The "motor home," which is a vehicular unit which does not exceed the length, height, and width limitations provided in s. 316.515, F.S., is a self-propelled motor vehicle, and is primarily designed to provide temporary living quarters for recreational, camping, or travel use.
- 5. The "private motor coach," which is a vehicular unit which does not exceed the length, width, and height limitations provided in s. 316.515(9), is built on a self-propelled bus type chassis having no fewer than three load-bearing axles, and is primarily designed to provide temporary living quarters for recreational, camping, or travel use.
- 6. The "van conversion," which is a vehicular unit which does not exceed the length and width limitations provided in s. 316.515, is built on a self-propelled motor vehicle chassis, and is designed for recreation, camping, and travel use.
- 7. The "park trailer," which is a transportable unit which has a body width not exceeding 14 feet and which is built on a single chassis and is designed to provide seasonal or temporary living quarters when connected to utilities necessary for operation of installed fixtures and appliances. The total area of the unit in a setup mode, when measured from the exterior surface of the exterior stud walls at the level of maximum dimensions, not including any bay window, does not exceed 400 square feet when constructed to ANSI A-119.5 standards, and 500 square feet when constructed to United States Department of Housing and Urban

Development Standards. The length of a park trailer means the distance from the exterior of the front of the body (nearest to the drawbar and coupling mechanism) to the exterior of the rear of the body (at the opposite end of the body), including any protrusions.

8. The "fifth-wheel trailer," which is a vehicular unit mounted on wheels, designed to provide temporary living quarters for recreational, camping, or travel use, of such size or weight as not to require a special highway movement permit, of gross trailer area not to exceed 400 square feet in the setup mode, and designed to be towed by a motorized vehicle that contains a towing mechanism that is mounted above or forward of the tow vehicle's rear axle.

RECREATIONAL VEHICLE DEALER: Pursuant to section 320.771(1)(a), F.S. "means any person engaged in the business of buying, selling, or dealing in recreational vehicles or offering or displaying recreational vehicles for sale. The term "dealer" includes a recreational vehicle broker. Any person who buys, sells, deals in, or offers or displays for sale, or who acts as the agent for the sale of, one or more recreational vehicles in any 12-month period shall be prima facie presumed to be a dealer. The terms "selling" and "sale" include lease-purchase transactions. The term "dealer" does not include banks, credit unions, and finance companies that acquire recreational vehicles as an incident to their regular business and does not include mobile home rental and leasing companies that sell recreational vehicles to dealers licensed under this section. A licensed dealer may transact business in recreational vehicles with a motor vehicle auction as defined in s. 320.27(1)(c)4. Further, a licensed dealer may, at retail or wholesale, sell a motor vehicle, as described in s. 320.01(1)(a), acquired in exchange for the sale of a recreational vehicle, if such acquisition is incidental to the principal business of being a recreational vehicle dealer. However, a recreational vehicle dealer may not buy a motor vehicle for the purpose of resale unless licensed as a motor vehicle dealer pursuant to s. 320.27, F.S."

RECREATIONAL VEHICLE BROKER: Pursuant to section 320.771(1)(b), F.S., "Recreational vehicle broker" means any person who is engaged in the business of offering to procure or procuring used recreational vehicles for the general public; who holds himself or herself out through solicitation, advertisement, or otherwise as one who offers to procure or procures used recreational vehicles for the general public; or who acts as the agent or intermediary on behalf of the owner or seller of a used recreational vehicle which is for sale or who assists or represents the seller in finding a buyer for the recreational vehicle."

Recreational vehicle manufacturers: Pursuant to section <u>320.8225(1)</u>, F.S., "Any person who engages in the business of a mobile home manufacturer or a recreational vehicle manufacturer, distributor, or importer in this state, or who manufactures mobile homes or recreational vehicles out of state which are ultimately offered for sale in this state, shall obtain annually a license for each factory location in this state and for each factory location out of state which manufactures mobile homes or recreational vehicles for sale in this state, prior to distributing or importing mobile homes or recreational vehicles for sale in this state."

REGISTRATION: See Procedure RS-02 which can be accessed on-line at the following link: http://www3.flhsmv.gov/dmv/Proc/RS/RS-02.pdf.

<u>REGISTRATION CODES:</u> See Procedure <u>RS-03</u>, which can be accessed on-line at the following link: http://www3.flhsmv.gov/dmv/Proc/RS/RS-03.pdf.

RELOCATION: Is when a dealership moves their place of business to another location

RENEWAL PERIODS FOR DEALERS, MANUFACTURERS, IMPORTERS AND IMPORTERS: All licenses have to be renewed annually. The renewal chart for all license categories can be accessed at http://flhsmv.gov/dmv/DealerLicenseRenewalSchedule.pdf.

RENEWAL FEE SCHEDULE FOR ALL LICENSE CATEGORIES: This can be accessed at http://flhsmv.gov/dmv/DealerLicenseFeeSchedule.pdf.

<u>REPLICAS:</u> "Replica" means a complete new motor vehicle manufactured to look like an old vehicle. Please refer to TL 48 procedure at http://www3.flhsmv.gov/dmv/Proc/TL/TL-48.PDF for additional information.

REPLACEMENT DEALERSOR SUCCESSOR DEALERS: Pursuant to section 320.642(5) a, F.S. The opening or reopening of the same or a successor motor vehicle dealer within 12 months is not considered an additional motor vehicle dealer subject to protest within the meaning of this section, if:

- 1. The opening or reopening is within the same or an adjacent county and is within 2 miles of the former motor vehicle dealer location;
- 2. There is no dealer within 25 miles of the proposed location or the proposed location is further from each existing dealer of the same line-make than the prior location is from each dealer of the same line-make within 25 miles of the new location;
- 3. The opening or reopening is within 6 miles of the prior location and, if any existing motor vehicle dealer of the same line-make is located within 15 miles of the former location, the proposed location is no closer to any existing dealer of the same line-make within 15 miles of the proposed location; or
- 4. The opening or reopening is within 6 miles of the prior location and, if all existing motor vehicle dealers of the same line-make are beyond 15 miles of the former location, the proposed location is further than 15 miles from any existing motor vehicle dealer of the same line-make.
- (b) Any other such opening or reopening shall constitute an additional motor vehicle dealer within the meaning of this section.

(c) If a motor vehicle dealer has been opened or reopened pursuant to this subsection, the licensee may not propose a motor vehicle dealer of the same line-make to be located within 4 miles of the previous location of such dealer for 2 years after the date the relocated dealership opens.

REPOSSESS: Banks or financial institutions can repossess (take back) a vehicle incidental to their business.

Please refer to TL 23 http://www3.flhsmv.gov/dmv/Proc/TL/TL-23.PDF for additional information.

RESTORATION OF CIVIL RIGHTS: Office of the Clemency Board restores civil rights for persons who have felony arrests on their record.

REVOCATION: to withdraw, cancel or repeal.

RETAIL SALE: When dealers sell directly to the public it is called a retail sale.

REUNDS: Pursuant to section 215.26, Florida Statutes, a license fee is non-refundable unless the Department determines that one of three exceptions exist; either the applicant sent duplicate money in error, or an overpayment was made in error, or the fee accompanying an application was submitted for an activity which is not required to be licensed or is specifically exempt from being licensed. If a license is denied for any other reason, the fee is non-refundable. A license fee may not be prorated for a portion of a licensing period. All non-resident applicants are also required to pay a license tax of \$2,000 for each county in which they do business. This tax is in addition to any required licensing fees.

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SALES AND SERVICE AGREEMENT: Pursuant to section 320.60(1), F.S., agreement or franchise agreement means a contract, franchise, new motor vehicle franchise, sales and service agreement, or dealer agreement or any other terminology used to describe the contractual relationship between a manufacturer, factory branch, distributor, or importer and a motor vehicle dealer, pursuant to which the motor vehicle dealer is authorized to transact business pertaining to motor vehicles of a particular line-make. Sales and service agreement also refers to a written agreement or contract entered into between a manufacturer and dealer that fix the rights and responsibilities of the parties entering the agreement or contract.

SALES TAX: A tax imposed by the state of Florida on the purchase of motor vehicle or mobile home which was not purchased in Florida, but brought into and used in Florida during the first six months of ownership. Proof of an actual sales tax paid in other states may be allowed as a

credit against this use tax. Vehicles previously registered in a foreign country are subject to the full use tax regardless of how long they have been owned or how much tax was paid in the foreign country.

SALVAGE: Salvage refers to motor vehicles or mobile homes that are wrecked or damaged and defined as a total loss. These are usually dismantled for parts or scrap metal.

SATISFACTION OF LIEN: "Satisfaction of lien" means full payment of a debt or release of a debtor from a lien by the lienholder.

SEALS and STAMPS: All surety bonds and irrevocable letters of credits must have a raised embossed seal, or stamp or an electronic seal of the issuing surety bond company or bank.

SECONDARY METAL RECYCLER: means any person who:

- (a) Is engaged, from a fixed location or otherwise, in the business of gathering or obtaining ferrous or nonferrous metals that have served their original economic purpose or is in the business of performing the manufacturing process by which ferrous metals or nonferrous metals are converted into raw material products consisting of prepared grades and having an existing or potential economic value; or
- (b) Has facilities for performing the manufacturing process by which ferrous metals or nonferrous metals are converted into raw material products consisting of prepared grades and having an existing or potential economic value, other than by the exclusive use of hand tools, by methods including, without limitation, processing, sorting, cutting, classifying, cleaning, baling, wrapping, shredding, shearing, or changing the physical form or chemical content thereof.

For additional information, please see section <u>538.18</u>, F.S.

SEMITRAILER: "Semitrailer" means any vehicle without motive power designed to be coupled to or drawn by a motor vehicle and constructed so that some part of its weight and that of its load rests upon or is carried by another vehicle. (See s. 320.01(5), F.S.)

SECOND STAGE MANUFACTURERS: A second stage or final stage manufacturer is a person who assembles or installs on previously assembled truck chassis special bodies or equipment which, when installed, form an integral part of the motor vehicle and which constitute a major manufacturing alteration. The final stage manufacturer completes the vehicle and issues a 2nd stage Manufacturer's Certificate of Origin.

Pursuant to section <u>320.60(9)</u>, Florida Statutes, a manufacturer means any person, whether a resident or non-resident of this state, who manufactures or assembles motor vehicles or who manufactures or installs on previously assembled truck chassis special bodies or equipment

which, when installed, form an integral part of the motor vehicle and which constitute a major manufacturing alteration. The term "Manufacturer" includes a central or principal sales corporation or other entity through which, by contractual agreement or otherwise, it distributes its products.

Pursuant to section <u>319.21(2)</u>, Florida Statutes, "When a motor vehicle is built in two or more stages, each manufacturer must provide a Manufacturer's Statement of Origin for each stage." Such a manufacturer must be registered with a national license with the Department. The second stage Manufacturer's Statement of Origin (MSO) from the final stage manufacturer of the incomplete chassis will reflect their own line-make assigned by the National Crime Information Center and vehicle identification number (VIN) of the manufacturer of the truck chassis.

A second stage manufacturer must provide both the first stage and second stage manufacturer's statement of origin to their dealers as they are both required in the title and registration process at the tax collectors' offices. Original samples of both the 1st and 2nd stage MCOs must be submitted with the application for a second stage manufacturer's license.

SELLER: means the owner of record or a person who has physical possession and responsibility for a derelict motor vehicle and attests that possession of the vehicle was obtained through lawful means along with all ownership rights. A seller does not include a towing company, repair shop, or landlord unless the towing company, repair shop, or landlord has obtained title, salvage title, or a certificate of destruction in the name of the towing company, repair shop, or landlord.

SETTLEMENT: Settlement: "Settlement" means an agreement entered into between a manufacturer and a consumer that occurs after a dispute is submitted to a program, or an informal dispute settlement procedure established by a manufacturer or is approved for arbitration before the New Motor Vehicle Arbitration Board as defined in s. <u>681.102</u>, F.S.

SEMI TRAILER: Semi-trailer means any vehicle without motive power designed to be attached to or drawn by a motor vehicle and constructed so that some part of its weight and that of its load rests upon or is carried by another vehicle.

SERVICE FACILITY: Service facility means a location where any maintenance or repair of any new or used motor vehicle that is sold or provided to an owner, operator or user, pursuant to a motor vehicle warranty or any extension thereof, issued by the licensee. Section 320.642(6), F.S provides more information on the licensing of service facilities for franchise dealers.

SHERIFF"S SALE: This is a Writ of Execution is an order or judgment made by a court which directs and authorizes the sheriff to carry out the order or judgment by seizing the debtor's property to pay a court-decided debt, usually by holding a public sale. Please refer to TL 22 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-22.PDF for additional information.

SIGNAGE: Signage is defined by the World English Dictionary as graphic designs, symbols, emblems or words used for identification or as a means of giving directions or warning.

Licensed motor vehicle dealerships must have a permanent sign identifying the dealership as its place of business. Such sign shall clearly identify the dealership and must use lettering or other graphic representation of sufficient size and color in order to be visible and readable at a distance of 50 yards from the public right-of-way serving the dealership.

SIGNATURE: A signature is defined by Wikipedia as a handwritten and sometimes stylized depiction of someone's name or nickname that a person writes on documents as a proof of identity and intent. Signatures are required on all license applications, MCOs and affidavits for licensing requirements.

SITE INSPECTION: The department, through its representatives, makes periodic inspections to ensure that appropriate records are being kept. Dealers are required to keep accurate records on every motor vehicle purchased or sold, the statutes of the titles on every vehicle in the dealer's possession and being offered for sale and, complete and accurate records on all temporary tags in the dealer's inventory or those that have been issued. Dealers are also required to keep accurate records of all dealer tags purchased by the dealership so that each tag and the person to whom it is assigned for use can be easily and readily identified.

Normally, records inspections are conducted by compliance officers in the Bureau of Field Operations but there are occasions when an inspection may be conducted by a compliance officer with the Bureau of Mobile Home and Recreational Vehicle Construction or by a uniformed or plainclothes law enforcement officer with the Florida Highway Patrol. All of these people have equal authority to conduct records inspections.

Dealers are required to cooperate and assist by providing all information requested. Following a routine inspection, a licensee will be given an opportunity to correct any discrepancies found. A follow-up visit by the compliance officer will ensure compliance.

A dealer who fails or refuses to cooperate by withholding records or failing to maintain records is subject to a fine or the suspension or revocation of their license. In addition, such failure or refusal constitutes a second-degree misdemeanor and subjects the dealer to arrest.

Site Inspection Number- Is generated by FRVIS when the compliance officers enter their report into the FRVIS system.

SOLE PROPRIETOR: A sole proprietor, also known as a sole trader is a type of business entity that is owned and run by one individual wherein there is no legal distinction between the

owner and the business. A sole proprietor may use a trade name or business name other than his or her legal name. Acceptable proof of identification for a sole proprietor includes:

- A Florida driver license or identification card;
- An out of state driver license or identification card;
- A US passport;
- A Canadian driver license, identification card, or passport;
- An out of country passport; and
- A driver license or identification card from any US Territory: American Samoa, Guam, Marianas, Puerto Rico and the US Virgin Islands

STIPULATIONS: A stipulation is defined as a condition or requirement that is specified as part of an agreement or contract. A stipulation also refers to a restriction that is insisted upon as a condition for an agreement.

SUNBIZ: In order to conduct business in the state of Florida, a copy of certification showing proof of current registration with the Florida Secretary of State, Division of Corporations is required. On-line information regarding registration with the Division of Corporations is at www.sunbiz.org

SURETY BOND: A surety bond is an agreement subject to the bond form. A bond is required for monetary compensation for failure to perform specified acts referenced in the bond form. A bond is issued by an entity on behalf of a second party, guaranteeing that the second party will fulfill an obligation or a series of obligations to a third party.

MOTOR VEHICLE DEALERS: Pursuant to Section 320.27(10)a, Florida Statutes, "Annually, before any license shall be issued to a motor vehicle dealer, the applicant-dealer of new or used motor vehicles shall deliver to the department a good and sufficient surety bond or irrevocable letter of credit, executed by the applicant-dealer as principal, in the sum of \$25,000."

MOBILE HOME DEALERS AND BROKERS: Pursuant to section 320.77(16)a, Florida Statutes, "Before any license shall be issued or renewed, the applicant or licensee shall deliver to the department a good and sufficient surety bond, cash bond, or irrevocable letter of credit, executed by the applicant or licensee as principal..."

- 1. A single dealer who buys, sells, or deals in mobile homes and who has four or fewer supplemental licenses shall provide a surety bond, cash bond, or irrevocable letter of credit executed by the dealer applicant or licensee in the amount of \$25,000.
- 2. A single dealer who buys, sells, or deals in mobile homes and who has more than four supplemental licenses shall provide a surety bond, cash bond, or irrevocable letter of credit executed by the dealer applicant or licensee in the amount of \$50,000.

SUPPLEMENTAL LICENSE/SUPPLEMENTAL LOCATION: Pursuant to section 320.27(5), Florida Statutes, a licensed motor vehicle dealer shall obtain a supplemental license for each permanent additional place or places of business not contiguous to the premises for which the original license is issued, on a form to be furnished by the Department and upon payment of a fee of \$50 for each such additional location. Upon making renewal applications for such supplemental licenses, such applicant shall pay \$50 for each additional location.

<u>SUSPENSIONS:</u> Suspension is defined as the temporary cancellation or cessation of a right, privilege, title, license, etc. The Department may deny, suspend or revoke any license issued under the provisions of sections <u>320.27</u>, <u>320.61</u>, <u>320.77</u>, <u>320.771</u> or <u>320.8225</u>, Florida Statutes, upon proof that an applicant or a licensee has violated Florida law and statutes.

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<u>TAX COLLECTORS" OFFICES AND TAG AGENCIES:</u> Information on Florida Tax Collectors and tag agencies can be accessed on-line at: http://dor.myflorida.com/dor/property/taxcollectors.html

TECHNICAL ADVISORY: To access the division's technical and dealer advisories, please visit the department's website at the following link: http://www.flhsmv.gov/dmv/bulletins/revisions/.

<u>TITLE CERTIFICATE:</u> means the record that is evidence of ownership of a vehicle, whether a paper certificate authorized by the department or a certificate consisting of information that is stored in an electronic form in the department's database.

When a certificate of title, including a foreign certificate, is branded to reflect a condition or prior use of the titled vehicle, the brand must be noted on the registration certificate of the vehicle and such brand shall be carried forward on all subsequent certificates of title and registration certificates issued for the life of the vehicle.

For additional information on certificates of title, please refer to Chapter 319.001, F.S.

<u>TITLES AND REGISTRATION</u>: 850 617-3001. **Miscellaneous Title**: A \$20 penalty fee is assessed if 30 days have passed since the MCO or title was signed over to the retail purchaser and delivery of the motor vehicle or mobile home was made. There will be a \$10.00 penalty fee for vessels and off highway vehicles.

Each unit of a double-wide (two units) or triple wide (three units) mobile home is title separately.

A certificate of title for a new motor vehicle shall only be issued when the franchised dealer is authorized to sell the specific make described on the application. If a franchised dealer sells a motor vehicle he is not licensed to sell, it must be titled as "USED."

<u>TITLE TRANSFERS:</u> Please see section <u>319.22</u>, F.S., which can be accessed on-line at the following link: http://www.flsenate.gov/Laws/Statutes/2011/319.22.

<u>TOTAL LOSS:</u> Section 319.30(3)(a)1, Florida Statutes, provides that a motor vehicle or mobile home is a "total loss" when an insurance company pays the motor vehicle owner to replace the wrecked or damaged motor vehicle with one of like kind and quality or when an insurance company pays the owner upon the theft of the motor vehicle or motor home. This includes all motor vehicles and mobile homes regardless of the year or make. Please refer to TL36 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-36.PDF for additional information.

<u>TOW:</u> "Tow" means to pull or draw any motor vehicle with a power unit by means of a direct attachment, drawbar, or other connection or to carry a motor vehicle on a power unit designed to transport such vehicle from one location to another. (See S. <u>320.01</u>(41), F.S., See Procedure TL 26 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-26.PDF.

TRAILER: means any vehicle without motive power designed to be coupled to or drawn by a motor vehicle and constructed so that no part of its weight or that of its load rests upon the towing vehicle

TRANSPORTER: Per section 320.133, F.S.:

- (1) The department is authorized to issue a transporter license plate to any applicant who, incidental to the conduct of his or her business, engages in the transporting of motor vehicles which are not currently registered to any owner and which do not have license plates, upon payment of the license tax imposed by s. 320.08(15), F.S., for each such license plate and upon proof of liability insurance coverage in the amount of \$100,000 or more. Such a transporter license plate is valid for use on any motor vehicle in the possession of the transporter while the motor vehicle is being transported in the course of the transporter's business.
- (2) A license issued pursuant to subsection (1) must be in a distinctive color approved by the department and the word "transporter" must appear on the face of the license plate in place of the county name.
- (3) A license plate issued under this section is valid for a period of 12 months, beginning January 1 and ending December 31. No refund of the license tax imposed may be provided for any unexpired portion of a license period.

TRIKES: This is a three wheeled motorcycle

TRI-VEHICLES: Is an enclosed three-wheeled passenger vehicle that:

- (a) Is designed to operate with three wheels in contact with the ground;
- (b) Has a minimum unladen weight of 900 pounds;
- (c) Has a single, completely enclosed, occupant compartment;
- (d) Is produced in a minimum quantity of 300 in any calendar year;
- (e) Is capable of a speed greater than 60 miles per hour on level ground; and
- (f) Is equipped with:
 - 1. Seats that are certified by the vehicle manufacturer to meet the requirements of Federal Motor Vehicle Safety Standard No. 207, "Seating systems" (49 C.F.R. s. 571.207);
 - 2. A steering wheel used to maneuver the vehicle;
 - 3. A propulsion unit located forward or aft of the enclosed occupant compartment;
 - A seat belt for each vehicle occupant certified to meet the requirements of Federal Motor Vehicle Safety Standard No. 209, "Seat belt assemblies" (49 C.F.R. s. <u>571.209</u>);
 - 5. A windshield and an appropriate windshield wiper and washer system that are certified by the vehicle manufacturer to meet the requirements of Federal Motor Vehicle Safety Standard No. 205, "Glazing Materials" (49 C.F.R. s. <u>571.205</u>) and Federal Motor Vehicle Safety Standard No. 104, "Windshield Wiping and Washing Systems" (49 C.F.R. s. <u>571.104</u>); and
 - 6. A vehicle structure certified by the vehicle manufacturer to meet the requirements of Federal Motor Vehicle Safety Standard No. 216, "Rollover crush resistance" (49 C.F.R. s. 571.216).

TRAVEL TRAILER: The "travel trailer," which is a vehicular portable unit, mounted on wheels, of such a size or weight as not to require special highway movement permits when drawn by a motorized vehicle. It is primarily designed and constructed to provide temporary living quarters for recreational, camping, or travel use. It has a body width of no more than 8 1/2 feet and an overall body length of no more than 40 feet when factory-equipped for the road.

TRUCKS: s. 320.01(2)(b)(9), F.S., states a "Truck" means any motor vehicle with a net vehicle weight of 5,000 pounds or less and which is designed or used principally for the carriage of goods and includes a motor vehicle to which has been added a cabinet box, a platform, a rack,

or other equipment for the purpose of carrying goods other than the personal effects of the passengers.

TRUCK CAMPER: The "truck camper," which is a truck equipped with a portable unit designed to be loaded onto, or affixed to, the bed or chassis of the truck and constructed to provide temporary living quarters for recreational, camping, or travel use.

TRUCK TRACTOR: "Truck tractor" means a motor vehicle which has four or more wheels and is designed and equipped with a fifth wheel for the primary purpose of drawing a semitrailer that is attached or coupled thereto by means of such fifth wheel and which has no provision for carrying loads independently.

<u>U</u>

<u>UTILITY VEHICLES:</u> "Utility vehicle" means a motor vehicle designed and manufactured for general maintenance, security, and landscaping purposes, but the term does not include any vehicle designed or used primarily for the transportation of persons or property on a street or highway, or a golf cart, or an all-terrain vehicle as defined in s. <u>316.2074</u>. and <u>320.01</u>(43), F.S.

<u>UTILITY TRAILERS:</u> "Utility vehicle" means a motor vehicle designed and manufactured for general maintenance, security, and landscaping purposes, but the term does not include any vehicle designed or used primarily for the transportation of persons or property on a street or highway, or a golf cart, or an all-terrain vehicle as defined in s. <u>316.2074</u>, F.S.

<u>V</u>

<u>VAN CONVERSIONS</u>: The "van conversion," which is a vehicular unit which does not exceed the length and width limitations provided in s. <u>316.515</u>, F.S., is built on a self-propelled motor vehicle chassis, and is designed for recreation, camping, and travel use.

<u>VEHICLE IDENTIFICATION NUMBER (VIN):</u> are used to uniquely identify <u>motor vehicles</u>. Prior to 1980 there was not an accepted standard for these numbers, so different manufacturers used different formats. Modern day VINs consist of 17 characters (alpha and numerical) that do not include the letters I, O or Q. Every vehicle has a unique VIN (Vehicle Identification Number). The VIN number is stamped onto a small metal plate and is attached to the driver's side of the dash where it meets the window. The VIN allows the Department of Motor Vehicles or the Department of Transportation to keep track of the vehicles registered owner. The first character vehicle identification number (VIN) serial number identifies the country from which the vehicle was manufactured.

How to read a VIN:

1st character - Identifies the country in which the vehicle was manufactured.

For example: U.S.A.(1or 4), Canada(2), Mexico(3), Japan(J), Korea(K), England(S), Germany(W), Italy(Z)

<u>2nd character</u> - Identifies the manufacturer.

For example; Audi(A), BMW(B), Buick(4), Cadillac(6), Chevrolet(1), Chrysler(C), Dodge(B), Ford(F), GM Canada(7), General Motors(G), Honda(H), Jaquar(A), Lincoln(L), Mercedes Benz(D), Mercury(M), Nissan(N), Oldsmobile(3), Pontiac(2or5), Plymouth(P), Saturn(8), Toyota(T), VW(V), Volvo(V).

<u>3rd character</u> - Identifies vehicle type or manufacturing division.

4th to 8th characters - VDS - Vehicle Descriptor Section. These 5 characters occupy positions 4 through 8 of the VIN and may be used by the manufacturer to identify attributes of the vehicle. Identifies vehicle features such as body style, engine type, model, series, etc.

9th character - The check digit "character or digit 9" in the sequence of a vehicle identification number (VIN) built beginning with model year 1981 (when the 17 character digit format was established) can best be described as identifying the VIN accuracy.

A check digit shall be part of each VIN (since 1981) and shall appear in position nine (9) of the VIN on the vehicle and on any transfer documents containing the VIN prepared by the manufacturer to be given to the first owner for purposes other than resale. Thus, the VINs of any two vehicles manufactured within a 30-year period shall not be identical. The check digit means a single number or letter "x" used to verify the accuracy of the transcription of the vehicle identification number.

After all other characters in the VIN have been determined by the manufacturer the check digit is calculated by carrying out a mathematical computation specified. This is based on VIN position, sample VIN, assigned value code, weight factor and multiply assigned value times weight factors. The values are added and the total is divided by 11. The remainder is the check digit number.

The correct numeric remainder - zero through nine (0-9) will appear. However, if the remainder is 10 the letter "X" is used to designate the check digit value/number.

<u>10th character</u> - Identifies the model year. For example: 1988(J), 1989(K), 1990(L), 1991(M), 1992(N), 1993(P), 1994(R), 1995(S), 1996(T), 1997(V), 1998(W), 1999(X), 2000(Y)-----2001(1), 2002(2), 2003(3)

<u>11th character</u> - Identifies the assembly plant for the vehicle.

<u>12th to 17th characters</u> - VIS - Vehicle Identifier Section. The last 8 characters of the VIN are used for the identification of a specific vehicle. The last four characters shall always be

numeric. It identifies the sequence of the vehicle for production as it rolled off the manufacturer's assembly line.

More information on VIN can be accessed at http://www.vinguard.org/vin.htm

<u>VESSELS AND VESSEL TITLES:</u> (See Procedure <u>VSTL-09</u>) the proof of ownership for a NEW vessel is the manufacturer's certificate of origin or its equivalent such as a statement of builder. If the vessel is purchased in a state that does not required a manufacturer's certificate of origin, the proof of ownership is an executed dealer's bill of sale. The proof of ownership must show a complete description of the vessel and a complete chain of ownership to the applicant.

The following documentation must be submitted when applying for a Florida Certificate of Title for a homemade vessel:

Form HSMV <u>82040</u>, Application for Certificate of Title, or 82041, application for vehicle/vessel certificate of title and /or registration, accurately completed by the applicant(s).

For vessels less than 16 feet in length, the following are required:

A form HSMV <u>87002</u>, Vessel Statement of Builder (Rev. 11/00 or later), or its equivalent is required.

For Vessels 16 feet or more in length, the following are required:

HSMV 87002, or its equivalent;

A certificate of Inspection from the Florida Conservation Commission;

A bill of sale, if purchased from the builder;

Florida Sales tax; Sales tax must be collected according to the purchase price of the vessel and the purchase price of the materials where sales tax was not already collected; and

Hull Identification Number: A hull identification number may be assigned by the Department pursuant to section <u>328.07</u>, F.S.

<u>OUT-OF-STATE TITLE:</u> Proof of ownership on a USED motor vehicle, mobile home or vessel from out-of-state is:

The certificate of title from the state;

The state did not require the motor vehicle or mobile home to be titled; proof of ownership is a dealer's bill of sale;

The original registration from that state and a bill of sale from the seller to the purchaser; and/or

HSMV <u>82040</u> or 82041, application for title must be completed by the applicant and submitted along with the proof of ownership.

<u>OUT-OF-STATE TITLE – VIN CORRECTION:</u> When an original application is received containing an out-of-state certificate of title and the applicant is requesting the VIN be corrected, the following must be submitted:

An original letter from the previous state, on State letterhead stationery;

The letter must state that the VIN on the certificate of title is incorrect; It should also state the correct VIN; or

The applicant must have a corrected of title issued in that state before Florida will issue a certificate of title.

<u>VOLUNTARY RELINQUISHMENT OF LICENSE (VRL)</u>: Voluntary Relinquishment of License (VRL) is a Department approved form that is used by motor vehicle, mobile home and recreational vehicle dealers when they sell their business to another dealer or they wish to go out of business. The VRL form is also used when dealerships have name changes, entity changes and mergers.

Florida Administrative Code <u>15C-7.003</u>, provides the conditions under which a dealer must submit a VRL. The VRL form can be obtained at the Regional Offices and the Dealer License Section in Tallahassee.

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WAREHOUSEMAN: Section 677.102(1)(h), Florida Statutes, defines, "warehouseman," as a person engaged in the business of storing goods for hire.

<u>WAREHOUSEMAN'S LIEN:</u> Please refer to TL 27 at http://www3.flhsmv.gov/dmv/Proc/TL/TL-27.PDF for additional information.

WHOLESALE DEALER: This is a license with a prefix VW. "Wholesale motor vehicle dealer" means any person who engages exclusively in the business of buying, selling, or dealing in motor vehicles at wholesale or with motor vehicle auctions. Such person shall be licensed to do business in this state, shall not sell or auction a vehicle to any person who is not a licensed dealer, and shall not have the privilege of the use of dealer license plates. Any person who buys, sells, or deals in motor vehicles at wholesale or with motor vehicle auctions on behalf of a licensed motor vehicle dealer and as a bona fide employee of such licensed motor vehicle dealer is not required to be licensed as a wholesale motor vehicle dealer. In such cases it shall be prima facie presumed that a bona fide employer-employee relationship exists. A wholesale motor vehicle dealer shall be exempt from the display provisions of this section but shall maintain an office wherein records are kept in order that those records may be inspected

<u>WATTS:</u> The watt is a <u>derived unit</u> of <u>power</u> in the <u>International System of Units</u> (SI), named after the Scottish engineer <u>James Watt</u> (1736–1819). The unit measures the rate of <u>energy</u> conversion. It is defined as one <u>joule</u> per <u>second</u>. Electric motorcycles have their engine displacement expressed in watts.

The following conversion factor can be used to help you when titling electric motorcycle:

PLEASE NOTE:

An MSO with an engine output above 1492 Watts or 2.0 hp will be considered a motorcycle with an engine displacement greater than 50 cc's.

A MSO with an engine output 1492 Watts or less or 2.0 hp or less will be considered a motorcycle with an engine displacement less than 50 cc's.

In short:

Engine Output in Watts	Engine Output in bhp	Engine Displacement in cc	Type of Vehicle
1492 Watts or less	2.0 hp or less	50 cc's or less	Motorcycle
1492 Watts	Greater than 2.0 hp	Greater than 50 cc's	Motorcycle

<u>WARRANTY:</u> guarantee: a written assurance that some product or service will be provided or will meet certain specifications.

WORLD MANUFACTURING IDENTIFIER (WMI): World Manufacturing Identifier (WMI) is the first three digits of Vehicle identification Number (VIN). The three characters of the WMI provide a unique identifier for every manufacturer. The characters one and two indicate the country where the vehicle was built, while characters two and three designate the manufacturer. A manufacturer that builds fewer than 500 vehicles per year uses a 9 as the third digit and the 12th, 13th and 14th position of the VIN for a second part of the identification. Some manufacturers use the third character as a code for a vehicle category (e.g., bus or truck), a division within a manufacturer, or both. For example, within 1G (assigned to General Motors in the United States), 1G1 represents Chevrolet passenger cars; 1G2, Pontiac passenger cars; and 1GC, Chevrolet trucks. Since 1981, global automotive manufacturers have utilized a complex numbering system called a Vehicle Identification Number (VIN) that uniquely describes a vehicle. This number provides a coded description of the vehicle including: manufacturer, year of production, place of production and vehicle characteristics. International is contracted by the National Highway Traffic Safety Administration (NHTSA), to assign a selected portion of the VIN, specifically called the World Manufacturers Identifier (WMI). More information on WMI and VIN can be accessed on-line at the following link: http://www.autocalculator.org/VIN/WMI.aspx.

<u>WRECKER:</u> means any motor vehicle that is used to tow, carry, or otherwise transport motor vehicles and that is equipped for that purpose with a boom, winch, car carrier, or other similar equipment. (See <u>320.01</u>(40), F. S.)

YATCH: is a recreational boat or ship.